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TORONTO AREA TRANSIT OPERATING AUTHORITY

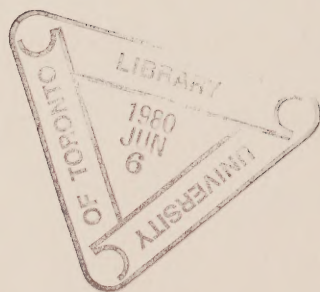
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Annual Report

For the year ended March 31, 1976



Government
of Ontario
Transit





Toronto Area Transit Operating Authority

3025 DUFFERIN STREET, DOWNSVIEW, ONTARIO M3K 1Z2 (416) 830-2835

MEMBERS
A.T.C. McNAB
Chairman
P.V. GODFREY
Municipality of Metropolitan
Toronto
L.H. PARSONS
Regional Municipality of Peel
G.E. WRIGHT
Regional Municipality of York
Managing Director
W.T. HOWARD

October 22, 1976.

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Sir:

It is my pleasure, on behalf of the
Authority Members, to present the first
annual report of the Toronto Area Transit
Operating Authority covering the fiscal
year ended March 31st, 1976.

Respectfully submitted,

A.T.C. McNab,
Chairman and
Chief Executive Officer.



Office of the
Minister

Ministry of
Transportation &
Communications

416/965-2101

Ferguson Block
Queen's Park
Toronto Ontario

October 25, 1976.

The Honourable Pauline M. McGibbon,
O.C., B.A., L.L.D., D.U., B.A.A.,
Lieutenant Governor of the Province
of Ontario,
Legislative Building,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour:

The undersigned takes pleasure in laying before
you the report of the activities of the Toronto
Area Transit Operating Authority for the year
ended March 31st, 1976.

Respectfully submitted,

James Snow,
Minister.

Chairman's Summary

1975 was an exciting and active year for the newly formed Authority.

Organizationally it was a period of consolidation as specialist staff was recruited and working relationships established with transit planning officials of the member Regions and of the Ministry of Transportation and Communications.

On April 1, 1975 the Authority acquired the assets of the Province's Government of Ontario Transit and commenced operating the services in the Lakeshore and northern corridors.

During the year the Authority accepted several major assignments for the development of new bus and train transit services and was principally involved in the Toronto Transportation Terminal project. Intensive work was continued on the design and procurement of bi-level rail coaches. And GO Transit operations can best be described as continuous adjustment and expansion of capacity to meet steadily mounting demand.

1975 was also an awkward year for public transit in general. On the one hand was powerful expansionary pressure generated by the energy crisis, rising costs of private car operation, and public environmental concerns. On the other was the severe financial constraint made necessary by the attack on inflation. It was a time for very careful ordering

of priorities and rigid control of operating costs.

Except for uncontrollable delays on the Richmond Hill rail service, the development of new transit service corridors proceeded pretty well according to schedule.

GO Transit inter-regional bus services were designed and inaugurated for routes to the west, northwest and northeast of Metropolitan Toronto. Work continued on the final design of the Richmond Hill train service and Authority engineers were involved with transit planners of MTC and Peel Region in completing a feasibility study of commuter rail in the Streetsville/Milton corridor.

In May 1975, the Chairman was named by Premier Davis to chair a group of railway and governmental officials charged with the implementation of approved plans for modification of rail and station facilities in the Toronto Transportation Terminal. This project has been viewed as the key to orderly development of commuter rail services for the area and the implementation group gave it urgent priority. By year end, detailed plans and estimates were ready for presentation to the Premier's inter-governmental committee.

At the municipal level, 1975 also saw considerable expansion of transit operations. In keeping with Provincial and municipal policy

of integrating transit services, the Authority maintains close liaison with local systems to co-ordinate routes and timings and to provide adequate interface facilities. Several municipal systems now regularly serve GO rail stations and the proportion of GO patrons who access by local transit is showing an encouraging increase.

On the operational side, GO Transit attracted increased patronage to all services. With demand growing in the order of 20% over the year, the system was taxed almost beyond capacity. Steps taken to increase that capacity are detailed elsewhere in this report. The outlook is for a continuation of demand expansion and, in spite of financial constraints, we hope to cope with that demand, at least in the short term.

The Authority would commend the councils of area regions and municipalities for the co-operative spirit in which common problems have been approached and, usually, solved. We would acknowledge also the invaluable assistance provided by Ministry of Transportation and Communications staff at all levels.

Respectfully submitted



A. T. C. McNAB, CHAIRMAN

Managing Director's Report

AREA CO-ORDINATION

Along with the operation of an area-wide inter-regional transit system, the co-ordination and rationalization of all transit within the area is a principal object of the Toronto Area Transit Operating Authority. Although less tangible and lacking the public visibility of "operations", "co-ordination" has perhaps greater potential for public benefit. Progress will be evolutionary and gradual — less dramatic. Nevertheless, Authority policy has given full weight to co-ordination in its development and operations activities.

Municipal and GO Transit Co-ordination

The GO Train station is becoming more and more a transportation centre of the local municipality. By scheduling good connections and interchange facilities the inter-regional traveller can be persuaded to leave his car at home and make the complete journey by public transit. It benefits the local transit system with increased patronage; it is vitally important to the GO operation in relieving the pressure on overcrowded parking lots. During the year local transit systems joined Pickering Transit in the provision of regular connections with the GO Train in Oakville, Mississauga, Brampton and Bramalea. To further encourage this trend, the re-development plans for the Lakeshore GO Corridor incorporate improved local transit interface facilities.

Co-ordination was also achieved in the design of the new GO Bus services. Regional and municipal transportation officials were fully involved in decisions affecting their jurisdictions so that the new inter-regional bus routes would complement, not compete with, the local service.

Central Telephone Information

The Authority approved a pilot project to test the feasibility and benefits of centralizing the telephone information services of neighbouring transit systems. The decision was taken following the recommendations of a committee representing transit operators throughout the area.

The test, to be implemented in 1976, will link Markham Transit, Richmond Hill Transit, Vaughan Transit and GO Transit to a common information bureau which in turn will have a direct tie-line to the TTC information board.

Area Transit Map

Authorization was given for the production of a transit map which will depict the inter-relationship of all transit in the greater Toronto area. It is scheduled for trial release in 1976 to test the public demand for such a map and to assess its potential as a promotional tool for both local and inter-regional transit. The map is being drafted for TATO by the Cartography Section of the Ministry of Transportation and Communications.

DEVELOPMENT

Systems Design

While the objects assigned to and the powers conferred on the Authority include "design, construct and operate" inter-regional transit, the Members have recognized the paramountcy of the overall transportation and land use planning of the Province, regions and municipalities. Accordingly, the initiative for establishing new transit corridors or for effecting major capacity adjustments on established services has remained with the appropriate planning authorities. TATO's role during the year was in implementation; its contribution to planning bodies was on a consulting basis.

Richmond Hill Commuter Rail

Development progress was set back during the year due to the complicated negotiations required between all levels of government and railway authorities in the matters of station locations, the timing of construction of grade separations, and environmental considerations. However, by year-end design work was 70% complete, the Authority was in a position to authorize the calling of construction tenders and the Province had appropriated the required moneys. Service inauguration could be effected 12 to 18 months following inter-governmental agreement on the grade separation questions.

Streetsville/Milton Commuter Rail

The Authority continued its work and negotiations with CP Rail on the technical requirements for commuter traffic on this corridor. Concurrently, staff planners at the Ministry of Transportation and Communications and from the Region of Peel were developing demand forecasts and studying service level requirements. Reports from these parallel conceptual and technical studies will be made to assist Government decision on implementation.

New Bus Corridors

The Authority was directed to design and operate transit services in three corridors which have been served only by private inter-city bus operators. The designs developed by TATO in consultation with MTC and the regions called for the assumption by GO Transit of Gray Coach Lines inter-city routes, improving the level of service, and introducing links to the TTC subway system. Following Government approval of tariff regulations and acquisition of new rolling stock the new services were launched on February 15.

In the northeast, service was increased between Markham-Uxbridge and downtown Toronto and a new shuttle service was established between Markham and the Finch Subway Station.

Increased service was also offered commuters between Milton/Streetsville and Toronto along the corridor eventually to be served by commuter rail.

Similarly, all-day and weekend GO Bus service was inaugurated to complement the rush-hour-only train service in the northwest corridor. The system design included a link with the TTC subway at York Mills from Georgetown, Brampton and Malton.

Rail Station Re-development

In September 1975 a program was launched for the rebuilding and expansion of GO Train stations on the Lakeshore line. Outmoded facilities are to be replaced and expanded to cater to increasing passenger volumes and to prepare for the increased capacity of the double-deck rail equipment due to enter service in 1978.

At eleven stations along the Lakeshore Corridor new station buildings will house improved passenger processing capabilities, waiting areas, washrooms and maintenance facilities. Canopies, passenger waiting shelters and wind screens will be constructed on the station platforms. Station access areas will see minor improvements to parking areas and will provide facilities for local transit buses and for kiss-and-ride passengers.

The programme is scheduled for implementation over the next two years at a projected cost of \$3.9 million.

Negotiations were also continued with the development of the Eglinton GO Station in Scarborough. Here the station is to become an integral part of an adjacent commercial complex. This co-operative venture promises benefits to both parties and a net savings in cost to the GO Train operation.

Rail Equipment Maintenance Facility

During the past year feasibility and pre-design studies for a totally new maintenance and servicing plant for GO rail rolling stock were completed by the consulting firm of Cole, Sherman & Associates Limited. Construction is expected to begin in early 1977 on a new facility which will occupy fifty acres to the north of the CN main tracks near Mimico Station.

When GO Transit began rail operations in May, 1967, its eight locomotives and 40 railcars were maintained in a small facility which had previously been devoted to freight car repairs. The facility, although expanded several times, is no longer adequate for the equipment fleet which by 1978 will be more than five times the 1967 level.

Fare & Ticketing

Following a competitive selection procedure, the Authority retained Woods, Gordon and Co. as consultants to carry out a study of transit fares and ticketing methods. The urgent requirement was for a streamlining of the GO Transit fare collection system which, designed for a very straight-forward rail system in 1967, was proving cumbersome and costly for the complex matrix of bus and rail routes and fare zones existing today. For the longer term the study will be looking at the possibilities of integration of transit fares throughout the TATO area of jurisdiction.

Phase One of the study was completed during the year. From an analysis of the current state of the art is presented policy alternatives for consideration by the Authority. Copies of this interim report were distributed to all area municipalities for their comments.

Transit Advertising

A programme of transit advertising was launched in October 1975 whereby advertising space on GO rail cars and station platforms could be rented to commercial firms. Charles Baker Advertising Ltd. was selected to develop and administer this venture on a revenue-sharing agreement with TATO. Revenue is expected to reach \$50,000 in the first year, growing to the \$100,000 level as additional sign units are made available.

OPERATION

Inter-regional transit operated by the Authority is known as "GO Transit". Government of Ontario Transit was established by the Province in 1967, with operations being directed by the Ministry of Transportation and Communications. TATO A acquired the assets of GO Transit from the Ministry and commenced operations on April 1, 1975.

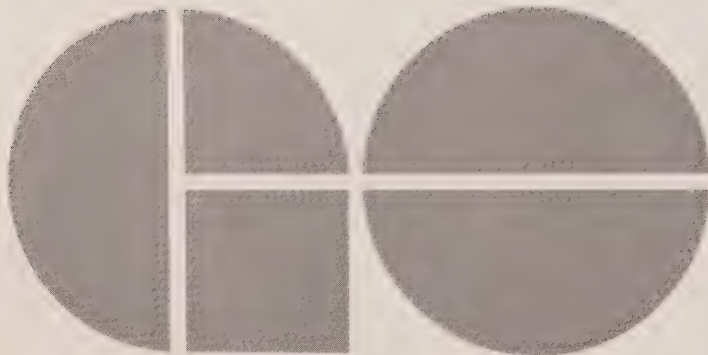
Patronage

For the first five years of operation (from 1967), GO Transit rail services on the Lakeshore corridor experienced an annual growth rate in the range of six to eight percent. In recent years however, influenced no doubt by rising motor vehicle operating costs, population shifts and highway congestion, there has been a pronounced increase in the growth rate and in the average trip distance.

Passenger counts for the years 1973, 1974 and 1975 present a distorted picture — a rail strike in 1973 depressed carryings; a strike of local transit services in Metropolitan Toronto in 1974 diverted many TTC riders to the GO Train. It is difficult therefore to pinpoint the actual natural growth trend. A comparison of monthly ridership figures would indicate that 1975 rail operations were running approximately 20% ahead of the previous year, and that 1975 bus passenger carryings had increased by approximately 15%.

The new northwest rail service to Georgetown, which has been in operation only since April 1974, showed an increase of 50% in its second year.

The several new GO Bus routes initiated February 15, 1976 have not as yet provided enough passenger data to establish growth trends, but initial passenger response has been most encouraging.



Peak Period Demand

As with all public transit, the effectiveness of GO service is determined largely by its ability to meet demand — a demand which is prominently peaked at the morning and evening work trip period and which is seasonally higher during the winter months. To cater to this demand in the winter of 1975/76 the familiar Polar Bear Express equipment from the Ontario Northland Transportation Commission saw GO Train duty until mid-January when it was replaced with higher capacity gallery-type cars leased from the Chicago & North Western Railroad.



Passenger Statistics (THOUSANDS)

CORRIDOR	BUS	RAIL	TOTAL
LAKESHORE EAST	974	3,105	4,078
LAKESHORE WEST	2,019	4,453	6,472
NORTHWEST	65	838	904
NORTH	1,247	—	1,247
NORTHEAST	11	—	11
TOTAL TRIPS	<u>4,316</u>	<u>8,396</u>	<u>12,712</u>

Revenue Miles Operated

CORRIDOR	TRAIN MILES	BUS MILES	TOTAL
LAKESHORE EAST	402,998	818,031	1,221,029
LAKESHORE WEST	436,582	2,084,284	2,520,866
NORTHWEST	58,565	129,163	187,728
NORTH	—	1,280,411	1,280,411
NORTHEAST	—	39,608	39,608
TOTAL	<u>898,145</u>	<u>4,351,497</u>	<u>5,249,642</u>

OPERATION (continued)

Route Miles Operated

BUS	CORRIDOR					ALL CORRIDORS
	LAKESHORE EAST	LAKESHORE WEST	NORTH WEST	NORTH	NORTH EAST	
At April 1st 1975	83	110	—	188	—	381
Added during year	—	—	160	—	75	235
At March 31st 1976	83	110	160	188	75	616
RAIL						
At April 1st 1975	21	39	29	—	—	89
Added during year	—	—	—	—	—	—
At March 31st 1976	21	39	29	—	—	89
Total Route Miles Operated at March 31st 1976.	104	149	189	188	75	705



Equipment

As part of a continuing program to tailor the rail equipment fleet to demand, four 3,000 hp locomotives, one Auxiliary Power Control Unit and three coaches were added during the year. Three additional APCU's and 27 coaches were under construction at year end. In September a \$32-million contract was awarded to Hawker Siddeley Canada Limited for the construction of 80 bi-level commuter coaches of unique design. Unlike other bi-level equipment in use in North America, in which the upper level consists of galleries or mezzanines built out from each side of the car, the new GO cars will have two complete levels. In each level the headroom in the aisles will be better than six and a half feet, giving unprecedented spaciousness for such a high-capacity (162 seats) car. Although delivery of the first cars is not scheduled until fall 1977, the conceptual design was completed during the year and substantial detail work undertaken.

The GO Bus fleet, too, had to be increased, not only to meet steadily increasing demand on established routes but to permit inauguration of service in the new corridors.

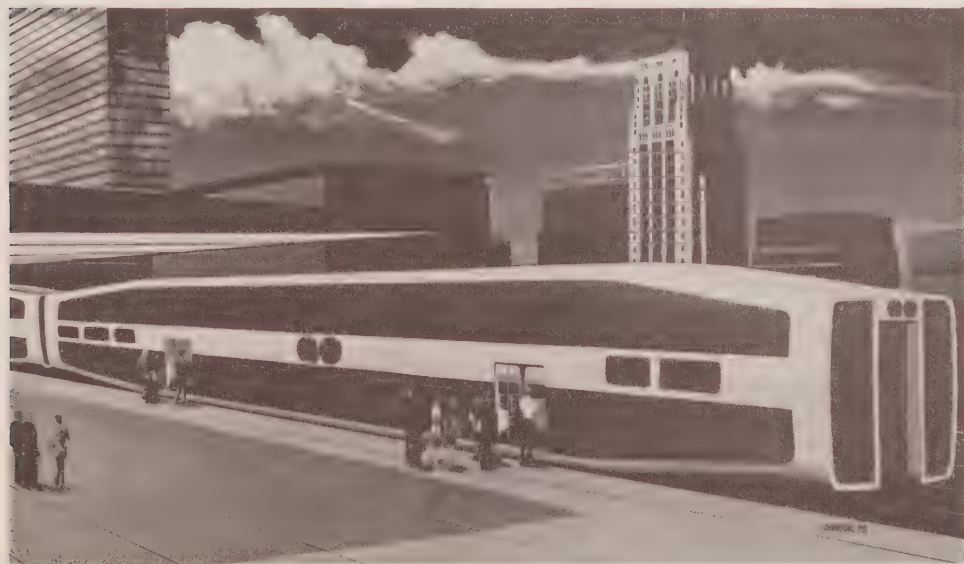
In April 1975, the first of fourteen 49-seat MC-8 coaches were delivered by Motor Coach Industries of Winnipeg. Twelve 47-seat coaches were delivered in December by General Motors, and in January 1976, an order was placed with General Motors for a further 40 buses with 49-seat capacity.

Fare Increase

At the end of the fiscal year the Authority was given Government approval for an increase in the fare structure for all bus and train operations by an average of 12½%. The increase, to become effective on April 4, 1976, was the first fare change since 1972.

Service To Special Events

Throughout the year GO continued to be sensitive to special demands, adjusting off-peak train/bus capacity to the needs of special events such as downtown Toronto parades and heavy shopping periods. Large capacity trains were operated and well patronized throughout the Shriners' convention in July.



GO Lakeshore bus and train service played a key role in moving people to and from Exhibition Place during the year. During the Canadian National Exhibition in August, GO operated special trains and bus connections each evening in addition to the regular service; on one occasion two special trains were provided, leaving Exhibition Station at 3 a.m. to accommodate those attending a special midnight Grandstand performance. A total of 478,000 passenger trips were recorded by Exhibition visitors during the 1975 CNE.

Exhibition Place is becoming increasingly popular at other times of the year as well. Football fans rode regular and special GO Trains to and from Argonaut home games at the expanded CNE Stadium. The appropriate hourly trains made stops at Exhibition throughout the Ontario Place season and for the Royal Winter Fair and other events at the Park.

Facilities at Exhibition Station were expanded to accommodate the passenger traffic which had reached surge proportions. The separation of east and west bound accesses and the addition of extra ticket sales and collection stations appreciably improved passenger flow.



Toronto Transportation Terminal Implementation

Following approval of recommendations in the "Report of the Technical Task Force — Toronto Transportation Terminal, May, 1975", an Implementation Committee was established with TATO A Chairman A.T.C. McNab as chairman. This committee was given the task of detailed planning and the preparation of construction schedules which permit implementation on an incremental basis.

Architectural and structural consultants were chosen who, working very closely with the railroads and TATO A staff, produced conceptual plans and estimates of cost. Periodic meetings were held with all interested parties and liaison was maintained with the Land Use Committee chaired by Toronto Mayor Crombie.

AUDITORS' REPORT

TORONTO AREA TRANSIT OPERATING AUTHORITY

(Incorporated by Special Act of
the Province of Ontario)

To the Members of the Toronto Area Transit
Operating Authority and the Minister of
Transportation and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1976 and the statements of operations, equity and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1976 and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles.

A handwritten signature in dark ink, reading "Touche Ross & Co." in a cursive script.

Toronto, Ontario,
July 19, 1976.

Touche Ross & Co.
Chartered Accountants.

BALANCE SHEET AS AT MARCH 31, 1976

(in thousands of dollars)

ASSETS

Current

Cash	\$ 2
Accounts receivable	454
Advances to Canadian National Railways	159
Equipment and supplies	827
Prepaid expenses	221
	<u>1,663</u>

Fixed

Land	5,630
Buildings and equipment (Note 3)	35,688
Improvements to railway right of way and railway plant, net of accumulated amortization of \$77	2,749
Toronto Terminal Project (Note 4)	561
Construction in progress	316
	<u>44,944</u>

Other

Progress payments on rail equipment (Note 5)	5,419
	<u>\$52,026</u>

LIABILITIES

Current

Accounts payable and accrued liabilities	\$ 663
Unearned revenue in respect of tickets sold and not used	<u>175</u>
	838

EQUITY

Province of Ontario

51,188
<u>\$52,026</u>

On behalf of the Members

A. T. C. McMillan

Chairman and
Chief Executive Officer

L. H. Pearson

Member

STATEMENT OF OPERATIONS

for the year ended March 31, 1976
(in thousands of dollars)

Revenue	
Commuter services	\$10,418
Other	395
	<u>10,813</u>
Expenses	
Train and bus operations	16,126
Terminals and plant	5,005
General and administration	2,037
	<u>23,168</u>
Operating loss	12,355
Operating subsidy from the Province of Ontario	9,506
Loss for the year	<u><u>2,849</u></u>

STATEMENT OF EQUITY

for the year ended March 31, 1976
(in thousands of dollars)

Equity, assumed from the Province of Ontario (Note 2)	\$39,534
Capital contributions from the Province of Ontario	14,503
	<u>54,037</u>
Loss for the year	2,849
Equity, end of year	<u><u>\$51,188</u></u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

for the year ended March 31, 1976
(in thousands of dollars)

Source of funds	
Contributions from the Province of Ontario	\$24,009
Funds assumed from the Province of Ontario (Note 2)	1,041
	<u>25,050</u>
Application of funds	
Operating loss	12,355
Items not requiring an outlay of funds	
Depreciation	\$2,695
Amortization of improvements to railway right of way and to railway plant	77
	<u>2,772</u>
	9,583
Capital expenditures on land, buildings and equipment	5,520
Improvements to railway right of way and to railway plant	2,826
Progress payments on rail equipment	5,419
Toronto Terminal Project	561
Construction in progress	316
	<u>24,225</u>
Working capital	<u><u>\$ 825</u></u>

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1976

1. Summary of significant accounting policies

The significant accounting policies followed by the Authority are described below:

a. General

The Authority was established as a Crown Agency by the Legislature of the Province of Ontario on June 28, 1974. The Authority administered the Go Transit system on behalf of the Ministry of Transportation and Communications from that date until March 31, 1975. The Authority acquired the net assets from the Province on April 1, 1975 and commenced operations on that date. Financial statements are prepared on the accrual basis using normal commercial accounting practices.

b. Equipment and supplies

Equipment and supplies are valued as follows:

Items acquired from the Ministry of Transportation and Communications for a nominal consideration on April 1, 1975	— replacement cost at April 1, 1975
Items purchased by the Authority subsequent to April 1, 1975	— lower of cost and replacement cost

The Authority uses the first-in, first-out method to record transfers from equipment and supplies.

c. Fixed assets

Fixed assets are valued as follows:

Fixed assets acquired from the Ministry of Transportation and Communications for a nominal consideration on April 1, 1975	— replacement cost at April 1, 1975, net of depreciation calculated on the replacement values on a straight-line basis
---	--

Fixed assets purchased by the Authority subsequent to April 1, 1975	— cost at the date of acquisition
---	-----------------------------------

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following rates on the straight-line basis:

Buildings and equipment

Buildings	— varying rates between 5% and 20%
Locomotives	— 4%
Rail rolling stock	— 4%
Buses	— varying rates between 8% and 14%
Parking lots	— 5%
Sundry	— 10%
Improvements to railway right of way and to railway plant	— varying rates between 5% and 33%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses.

Objectives

The Toronto Area Transit Operating Authority Act, 1974, established the Authority as an Agency of the Crown:

To design and operate inter-regional transit for people whose travel takes them through more than one regional municipality;

To encourage convenient and efficient meshing of the several transit systems operating in the Toronto centred area;

And to serve as an information clearing house and resource centre for municipal transit systems in the area.

Go Transit

The Authority operates all the commuter services of Government of Ontario Transit.

Area of Jurisdiction

The Authority is, for practical purposes, a voluntary association of the regional municipalities of Peel and York, The Municipality of Metropolitan Toronto, and the Province of Ontario.

The task force which recommended establishment of a centralized operating authority proposed inclusion of the Regional Municipality of Durham in an area which would encompass all the Toronto oriented commuter corridors. Durham, however, opted not to join the association.

To the west of the area of jurisdiction are the regions of Halton and Hamilton-Wentworth where the primary travel patterns are not strongly oriented to Toronto. Nevertheless, there is significant traffic between these regions and the Authority area. Accordingly, provision is made in the Act for Halton and Hamilton-Wentworth participation at Authority meetings in discussion of matters affecting those regions.

Membership

The Authority is composed of four members: the chairman, appointed by the Lieutenant Governor in Council; and the chairmen of the regional councils of Peel, York and Metropolitan Toronto. And serving as associate members, the regional chairmen of Halton and Hamilton-Wentworth.



Members 1975

A. T. C. McNAB

Chairman and Chief Executive Officer

P. V. GODFREY

Chairman, Metropolitan Council of The Municipality of Metropolitan Toronto

L. H. PARSONS

Chairman, Regional Council of The Regional Municipality of Peel

G. E. WRIGHT

Chairman, Regional Council of The Regional Municipality of York

Associate Members

Mrs. A. H. JONES

Chairman, Regional Council of The Regional Municipality of Hamilton-Wentworth

A. M. MASSON

Chairman, Regional Council of The Regional Municipality of Halton

Officers

W. T. HOWARD

Managing Director and Secretary

J. M. BURWELL

Director of Finance and Administration and Treasurer

D. A. SUTHERLAND

Director of Operations

Minister

The Honourable JAMES W. SNOW

Minister of Transportation and Communications

TORONTO AREA TRANSIT OPERATING AUTHORITY

Annual Report

For the year ended March 31, 1977



Government
of Ontario
Transit



Toronto Area Transit Operating Authority

3625 DUFFERIN STREET, DOWNSVIEW, ONTARIO M3A 1Z2 (416) 630 2635

MEMBERS
A.T.C. McNAB
Chairman
P.V. GODFREY
Municipality of Metropolitan
Toronto
J.E. HARRISON
Regional Municipality of Peel
G.E. WILSON
Regional Municipality of York
Managing Director
W.T. HOWARD

August 10, 1977.

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Mister Minister:

I have the honour to submit for your
approval the 1976/77 Annual Report of the
Toronto Area Transit Operating Authority.

Respectfully,

A.T.C. McNab,
Chairman and
Chief Executive Officer.



Office of the
Minister

Ministry of
Transportation &
Communications

416/965-2101

Ferguson Block
Queen's Park
Toronto Ontario

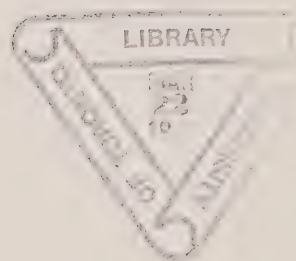
August 15, 1977

To Her Honour
The Lieutenant Governor of
The Province of Ontario
Legislative Building
Queen's Park
Toronto, Ontario

I have the privilege of presenting for the
information of Your Honour and the Legislative
Assembly the annual report of the Toronto Area
Transit Operating Authority for the fiscal
year beginning April 1, 1976 and ending
March 31, 1977.

Respectfully submitted,

James Snow,
Minister.



Chairman's Summary

Mounting costs and financial constraints continued through 1976 to be a primary concern for public transit in general. Inter-regional and Municipal systems fine-tuned operations to improve efficiency and to curtail poorly patronized services. The Authority was able to achieve some significant savings with these tactics, but the most significant benefits, with the least inconvenience to the riding public, came from the elimination of duplicated services.

GO Transit, operating through other jurisdictions, often in the same corridors as the Municipal systems, is in a position to propose co-ordination or integration of services and the elimination of duplication. In Metropolitan Toronto, TATO A policy now favours the turning of GO bus routes at suburban subway stations rather than running all buses into the downtown core.

On Yonge Street, north of Metro, a conglomerate of services was integrated into a more efficient, more popular transit corridor under the GO banner. The result was dollar savings to three Municipalities, to TATO A and to the Province's transit subsidy fund. Ministry planners and our system analysts are seeking opportunities to initiate comparable co-ordination elsewhere in the TATO A area.

The foregoing is not to suggest that public transit has exclusively reacted to the financial situation with curtailment and retrenchment. Certainly GO Transit has expanded its routes and increased capacity on established services. New routes became feasible with the delivery of 60 new buses, while revamped scheduling of the Lakeshore GO train helped increase patronage by nine percent. By year end the expanded GO system was carrying in excess of 50,000 passengers per average working day. Financially, the year opened with the implementation of a previously approved fare increase of twelve percent. This, coupled with increased carryings, produced new revenues to keep pace with our increased costs. A fare increase of eight percent was initiated in March to help compensate for the cost escalation to be faced in the coming year.

New agreements were executed with the operators of GO bus services which generally reflect the projected escalation of labour and material costs. Negotiations were also set in motion with the rail operator, Canadian National, whose agreement expires May 22, 1977.

During the year, an experimental bus service was inaugurated along the Highway 401 corridor from Milton to the York Mills subway station, giving commuters more convenient access to work places in northern Metro. This is compatible with long term plans of the Ministry of Transportation and Communications and TATO A to develop the 401 corridor and to feed the new Spadina Subway at its Yorkdale Station. In this connection the Province gave approval for the provision of bus terminal facilities at the Yorkdale Shopping Centre, adjacent to the subway station.

In conjunction with the rationalization of services in the Yonge Street corridor which is mentioned above, GO Newmarket bus routes were extended north to Barrie and to Sutton. Many Toronto trips were terminated at the Finch Subway which, coupled with GO's assumption of the local, municipally-sponsored shuttle service between Finch and Richmond Hill, resulted in very heavy traffic at the York Region Bus Terminal. This facility, immediately north of the subway station, was part of the T.T.C. Station complex. At year end, ownership of the terminal was transferred to the Authority; we assumed responsibility for the accommodation of expanded bus and passenger traffic through the facility.

Construction proceeded on the Richmond Hill rail line, working towards a start-up date of late 1977. The 80 bi-level coaches being built by Hawker Siddeley in Thunder Bay experienced minor delays but delivery was expected to commence also by late 1977.

The provision of maintenance facilities for the expanded rail equipment fleet continued under active study but, as of the end of the fiscal year, no feasible and acceptable plan had been approved.

Work continued also on the redevelopment of stations on the Lakeshore GO train service, with the first new buildings and facilities scheduled for opening this spring. The designs emphasize improved interface facilities for use by local transit.

Our longer term development plans were set back, at least in time, due to uncertainty concerning the Federal Government's contribution of funds. Projects delayed include the Streetsville/Milton rail service, the Union Station modifications, the upgrading of track facilities in the Toronto Terminal area, and the provision of additional train service to Exhibition Place. These projects, along with the arrival of the bi-level coaches and the start-up of the Richmond Hill train service, are critically interdependent; delays to any of them can have serious implications for the Authority's rail operation.

We would again comment on the co-operative approach demonstrated by Area Regions and Municipalities, both councils and staffs, in dealing with our mutual concerns. Aided by Ministry of Transportation and Communications' staff, a productive working relationship is evolving which augurs well for co-ordinated transit in the Toronto-centred area.



A.T.C. McNab, Chairman

Managing Director's Report

AREA CO-ORDINATION

The Toronto Area Transit Operating Authority's most visible activity is the operation of an inter-regional transit system — GO Transit. But, perhaps of even greater importance, is TATO's responsibility as a co-ordinator of transit functions within its area. Working largely behind the scenes in a low key manner, the Authority is moving toward its objectives of co-ordinating transit development and operations activities.

Central Telephone Information

The previously approved pilot project to test the feasibility and benefits of centralizing the telephone information services of neighbouring transit systems got off the ground. After much consultation with the Municipal systems, TATO assumed the task of handling such services for Richmond Hill, Markham and Vaughan transit systems, utilizing the GO Transit telephone information facilities. The new system establishes a single telephone listing for all transit information in an area and promises to simplify the provision of travel information to the public.

Municipal And GO Transit Co-ordination

Good co-ordination between local and inter-regional transit operators is becoming increasingly important. As driving costs soar, more and more commuters turn to GO Transit, and without a convenient local feeder service, they are forced to drive to the GO Transit station or terminal, creating expensive problems in supplying sufficient parking capacity. The provision of regular, convenient connections between the GO system and local transit operations encourages the commuter to leave the car at home and may relieve him of the burden of maintaining a second car solely for commuting purposes.

TATO has created co-ordinating procedures to ensure the highest degree of co-operation between the two levels of transit, and this has already achieved results. Currently functioning are joint interface facilities at the GO stations at Burlington, Oakville, Pickering, Malton, Bramalea and Brampton. Similar facilities are under construction at Clarkson and Rouge Hill, while another is scheduled to be built at Port Credit during the 1977 construction season.

Operational co-ordination is achieved through detailed information exchange between TATO and the transit systems, keeping each other advised of schedule changes and operational irregularities.

The design of new GO bus services is also co-ordinated with local operators. Regional and local transportation officials are fully informed and consulted when changes in GO bus services are being considered in an effort not only to blend the two levels of services but also to have the new inter-regional services complement, not compete, with the local services.

DEVELOPMENT

Richmond Hill Commuter Rail

Development of this new GO train service got rolling again at mid-year after being stalled for some months by uncertainty over the timing of construction of two strategic grade separations in Richmond Hill. In July, Canadian National awarded contracts for the grading of about five miles of new track bed and by year's end, track material was being positioned on the new roadbed. Detailed designs for the four stations to be developed on the route were completed with contracts almost ready for tendering. Studies were carried out on the scheduling of the three rush hour trains in each direction which will form the initial weekday service.

Streetsville/Milton Commuter Rail

Progress continued toward the establishment of GO train service on CP Rail trackage between Toronto and Milton. Seven station locations were tentatively established and the site recommendations forwarded to the local Municipalities for comment. One site, a seven-acre parcel near Dixie Road, south of Dundas Street, was actually acquired. CP Rail completed preliminary design of the required plant improvements and initial service design work was carried out.

Bus Service Rationalization

An Authority policy decision directed that GO bus services should be reshaped to reflect a desire to curtail GO operations which duplicate services operated by the Toronto Transit Commission and at the same time to cut down on the number of relatively unproductive miles operated by GO vehicles in the traffic congestion of the downtown Toronto core.

In line with this new policy directive, a major rationalization of bus services in the corridor between Toronto and Newmarket was embarked upon in November. Most major in that move, was the assumption by TATO of responsibility for the operation of the local bus service between Richmond Hill and Finch Subway terminal, a service which historically had been operated by the T.T.C. under contract to the Towns of Richmond Hill, Markham and Vaughan. With GO buses operating this service under agreement with the Municipalities, it was now possible to integrate these vehicles into other GO services in the corridor and thereby effect a significant over-all operational saving.

At the same time, the general complexion of GO service in the area changed from one oriented to move people directly into downtown Toronto to one designed to provide frequent services to the Finch Subway terminal. Vastly increased service was provided along the Yonge Street corridor between Newmarket and Finch, while service on Yonge into the downtown area was trimmed.

By the end of the year a significant growth in the total number of passengers using transit services in the corridor had been achieved, while savings projected at approximately \$200,000 annually were being realized in transit operations in that area.

In line with the policy of feeding the subway lines, experimental new routes were established between King/Maple and Finch and between Milton and York Mills Subway.

Rail Station Redevelopment

Construction started on the redevelopment of three of GO Transit's Lakeshore rail stations. These are the first in a programme which will see all Lakeshore rail stations redesigned to handle today's increased volumes of commuters, as well as the new business expected when GO's bi-level rail coaches enter service. The redevelopment programme also recognizes that the facilities built for the 1967 GO service were intended to serve what was conceived as a three-year experiment in rail commuter travel, and are now nearing the end of their service life.

The redeveloped rail stations will boast new and vastly improved ticketing buildings, as well as canopied departure platforms, all designed not only to improve passenger handling, but also to make commuting by GO train a little more pleasant.

Detailed design for the new Rouge Hill, Guildwood and Clarkson stations was completed, tenders called and contracts let. Substantial progress was made in the construction at all three sites with completion envisioned for early summer, 1977.

At the same time, other improvements were under way on Lakeshore station facilities. Another 180 parking spaces were added at

Oakville through a long term lease of land. The informal parking area at Mimico was paved. And, together with the previously mentioned redevelopment of Rouge Hill Station, additional parking was provided at that site through the purchase of adjacent property.

In the area west of Oakville, plans were laid to replace the make-shift facility which had served GO's Bronte patrons since the inception of the service. That facility, on the site of Canadian National's former Bronte Station, had managed to serve the four weekday GO trains which stopped there during the first several years of the service, but recently growth of the patronage had created an almost intolerable situation.

Because of a number of uncertainties surrounding the present Bronte Station site, it was impossible to carry out the complete redevelopment required. The answer was the identification of an alternate site some distance east, adjacent to Oakville's Third Line. Designs were finalized for the 1977 construction of proper station facilities, with a paved parking area for 120 cars.

GO's Burlington Bus Terminal was also upgraded with the addition of 100 new parking spaces.



DEVELOPMENT (continued)

North Metro Bus Terminals

Plans were announced for the creation of a regional bus terminal at Yorkdale Shopping Centre. To be located on the lower levels of an office building being constructed by the owners of the shopping complex, the terminal would be adjacent to the Yorkdale Station on the T.T.C.'s new Spadina Subway line and would be connected to that facility by a covered, elevated walkway. The new terminal is expected to enjoy heavy use by inter-city bus operators and will be used extensively by GO Transit inter-regional services, thus alleviating much of the pressure on the downtown bus terminal.

The Yorkdale terminal is to be financed and constructed by the shopping centre owner with TATO A leasing the space and managing the terminal operation.

At the same time, TATO A announced the acquisition of the York Region Bus Terminal adjacent to T.T.C.'s Finch Subway station. The terminal was built by the T.T.C. in 1974 with TATO A renting the facility for use by its GO Transit buses. When the ownership transferred to TATO A announcement was made of plans to upgrade the facility to allow for better handling of larger volumes of passengers.

Bus Maintenance Facility

In keeping with the general service re-alignment which will remove the concentration of GO buses in the city core, TATO A announced plans to develop a major bus maintenance facility in North York. Most GO buses today are maintained by Gray Coach at its garage at Front and Sherbourne Streets. This facility is scheduled to be demolished to make way for a housing project. Studies had indicated a facility capable of supporting the GO bus fleet could be developed in the suburban location much more economically than in the core. And with GO services no longer concentrated in the core, large operational savings would result by maintaining vehicles at the suburban site.

Rail Equipment Maintenance Facility

Maintenance of the original GO rail equipment fleet of 1967 consisting of eight locomotives and 49 cars was adequately provided for by a modified freight car repair facility located in Canadian National's former Mimico freight yard. As the fleet expanded, so did the maintenance facility, but today's equipment complement of 19 locomotives and 123 cars has stretched its capabilities to the limit and the maintenance of the 80 bi-level coaches scheduled to arrive in 1977-78 will be well beyond the capacity of these facilities.

During the year, a definitive study of the maintenance requirements of the GO rail operation was completed, and tentative plans made for a new maintenance facility to be located on fifty acres to the north of the CN main tracks toward the west end of the former Mimico freight yard.

However, by year's end, the Authority was re-assessing its plans for maintenance facilities because of the uncertainty surrounding the Toronto Transportation Terminal project. In particular, failure to resolve the existing congestion of rail traffic at the Bathurst Street Junction could jeopardize the viability of the Mimico maintenance site.

Energy Conservation

All areas of the GO Transit operation were surveyed with a view to conserving energy wherever possible. New criteria for the lighting of stations were established which are expected to bring about a savings of some 34,000 kilowatt hours (KW hr.) of electricity a year for a full-service station, 70,000 (KW hr.) annually for a limited service facility.

As well, new energy saving products are being tested. For example it is likely that high pressure sodium lights will be specified for new station construction, with each light operating on about 25 per cent less energy consumption than existing installation.

New procedures adopted in the area of heating and air conditioning of rail coaches between operations have already resulted in electrical energy consumption savings of about 19 percent. A new type of stand-by locomotive engine heater was successfully tested during the winter. The application of the heaters to GO's locomotives will, for the first time, permit the shutting down of the large diesel engines during lay-over periods. It will also permit elimination of deadhead equipment moves, thus saving approximately 800 gallons of fuel daily.

Fare And Ticketing Study

Phase One of the detailed study of all aspects of GO Transit's fare and ticketing system was completed during the year. Following an interim report, policy alternatives were reviewed and recommendations made to the Authority in a final Phase One report. At year's end, the next phase of the study, relating to fare structures, was in process.

The study had been initiated by the need to streamline GO Transit's ticketing procedure. The system which had been designed for the compact, uncomplicated GO operation of 1967, was rapidly falling behind in its ability to cope with the far-flung, sophisticated and extremely busy GO Transit operation of 1976. In the long view, it was also deemed desirable to achieve a system that would not only look after the considerable needs of GO Transit, but would also provide for a co-ordinated ticketing system with local transit operators.



OPERATION

Patronage

Ridership continued to increase at almost unprecedented rates. Overall, total ridership jumped more than two million, or 16 percent in 1976, continuing a three year trend. Much of the 1976 gain overall, of course, is attributable to the introduction of new services; but, corridor by corridor, patronage growth has been encouraging.

The limited service Georgetown rail route, inaugurated in May, 1974, posted another healthy increase, picking up 17 percent. In the same corridor, the Georgetown/York Mills GO bus service carried more than 226,000 passengers in its first full year of service.

The Lakeshore rail service continued to be the backbone of the GO effort, carrying more than eight million passengers, an increase of eight percent.

Major changes took place in GO bus operations in the Toronto/Richmond Hill/Newmarket corridor late in the year, resulting in a transfer of patronage of more than a half million passengers to GO in a four month period.

Passenger Statistics (Thousands)

Corridor	Bus	Rail	Total	1976
Lakeshore East	1,034	3,024	4,058	4,078
Lakeshore West	2,050	5,152	7,202	6,472
Northwest	643	982	1,625	904
North	1,761	--	1,761	1,247
Northeast	125	--	125	11
Total trips	5,613	9,158	14,771	12,712

Revenue Miles Operated

Corridor	Train Miles	Bus Miles	Total	1976
Lakeshore East	398,634	841,562	1,240,196	1,221,029
Lakeshore West	441,097	2,098,836	2,489,933	2,520,866
Northwest	78,481	1,021,328	1,099,809	187,728
North	-	1,325,042	1,325,042	1,280,411
Northeast	-	488,891	488,891	39,608
TOTAL	918,212	5,725,659	6,643,871	5,249,642



Route Miles Operated

BUS

	Lakeshore East	Lakeshore West	North West	North	North East	All Corridors
At April 1, 1976	83	110	160	188	75	616
Added during year	-	-	41	37	38	116
At March 31, 1977	83	110	201	225	173	732

RAIL

At April 1, 1976	21	39	29	-	-	89
Added during year	-	-	-	-	-	-
At March 31, 1977	21	39	29	-	-	89
Total route miles operated at March 31, 1977	104	149	230	225	113	821

OPERATION (continued)

Service To Special Events

GO continued to provide service to special events. Attractions such as parades, sporting events and concerts in the downtown Toronto core area drew extra crowds at various times throughout the year, and GO attempted to anticipate this demand and tailor service capacity accordingly.

But again, Exhibition Place proved to be by far the largest generator of special-event patronage. As the number of periodic attractions at Exhibition Place increased, so did GO involvement. When stadium capacity for football games was expanded to 56,000, GO scheduled extra trains to each game. As a result, GO handled as many as 12,000 passenger trips for a single game, one-and-one-half times as many people as are carried in a normal rush hour!

GO provided an unprecedented level of service for the Canadian National Exhibition in August. Half-hourly service from the Lakeshore West was provided every morning, with similar service being provided from the East as well on weekends. And extra home-bound trains were operated every evening in both directions.

In addition to train service, special GO bus service was operated direct to C.N.E. from Milton, Streetsville, Georgetown, Brampton,

Bramalea, Malton, Markham, Stouffville and Uxbridge, while extra bus feeders to the GO trains were operated as needed, from Oshawa and Hamilton.

To accommodate the larger crowds, a major rebuilding of the passenger-handling facilities at the Exhibition GO Train station was carried out. The number of ticket collection points was doubled; a new ticket-selling facility was established with significantly increased capacity; an information kiosk was provided; and informational signage was completely revised.

The new facilities worked well, on some days handling more than 50,000 passengers with little or no congestion noted in the ticketing areas.

By the end of the three-week show more than 600,000 GO Transit passenger trips had been recorded, a number exceeded only in 1974 during the T.T.C. strike.

TATO is represented on a committee with officials from T.T.C., Metropolitan Toronto Roads Department, Metro Police, CNE, and exhibitors to lay plans for handling special-event patrons at Exhibition Place during 1977, particularly the 81 scheduled home games of the new Toronto Blue Jays baseball team.

Transit Advertising

The transit advertising programme on GO rail cars exceeded first year forecasts for revenue generation. Developed and administered by Charles Baker Advertising, Ltd., under a revenue sharing agreement with TATO, the programme saw the creation of eight advertising positions available for rental on each GO rail coach. First year revenues had been estimated at \$50,000 but actually totalled almost \$75,000 as a result of extremely good sales — an almost one hundred percent sell-out situation throughout the year and higher-than-anticipated rental rates brought about by growth in GO patronage.

Fare Increases

A previously authorized twelve and one-half percentage fare increase was implemented April 4th, 1976, the first fare increase since September, 1972. The second phase of this increase, an eight percent hike, was initiated on March 6th. Fare increases have been held to A.I.B. guidelines and we look to improved operating efficiencies, a healthy growth in patronage, and an apparent easing of the cost inflation rate to let us maintain our revenue-to-cost ratio.

Equipment

The GO bus fleet continued to expand to meet growing demand, and to provide new services. Early in the year, 40 49-seat coaches were delivered while a further 20, with rear exit doors to accommodate the high volume North Yonge service, were received in March, bringing the GO bus roster to a total of one hundred and thirty vehicles. The new acquisitions virtually eliminated any need to rent equipment from the bus operators.

Additions were also made to the rail equipment fleet with 27 single-level coaches and three Auxiliary Power Control Units being delivered. The coaches boast a bright new interior colour scheme, are fully carpeted and run on newly designed wheel assemblies which provide an appreciably smoother ride.

Progress continued on the 80 bi-level rail coaches, ordered in September, 1975, from Hawker Siddeley Canada Ltd. of Thunder Bay. Engineering and tooling was substantially completed and a full sized mock-up of half a car was built and used to finalize many engineering details.

Although minor delays were encountered, the first of the 162-seat Ontario-designed cars is expected to be completed in 1977, with enough cars being delivered to allow their introduction to regular GO service by the turn of the year.

To provide the extra motive power required by the addition of the bi-level coaches, six new diesel-electric locomotives were ordered from General Motors of Canada in London, Ontario, for delivery in March, 1978. Of a new design developed for the American Amtrak rail passenger corporation, these locomotives will be the first of their type manufactured in Canada.

Toronto Transportation Terminal Implementation

A master plan for the rebuilding of Toronto Union Station and its rail approaches to accommodate the current and predicted intensive rail and passenger traffic was agreed upon by the parties involved, namely the Province of Ontario, the Authority, the Government of Canada, Canadian National, CP Rail, and the Toronto Terminals Railway Company. However, acceptance of the master plan was subject to the development of a satisfactory cost sharing agreement and,

as this is being written, no agreement has been reached.

In the absence of a funding agreement, the Authority is proceeding at its expense on a modified programme to provide for the heavier needs of the GO Transit services when the bi-level coaches enter service. Under this modified plan, work will proceed only on those facilities directly related to the movement of GO passengers through Union Station.

AUDITORS' REPORT

To the Members of the Toronto Area
Transit Operating Authority and
the Minister of Transportation
and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1977 and the statements of operations, equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1977 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink, reading "Touche Ross & Co." in a cursive script.

Toronto, Ontario,
May 31, 1977

Touche Ross & Co.
Chartered Accountants.

TORONTO AREA TRANSIT OPERATING AUTHORITY

(Incorporated by Special Act of the Province of Ontario)

BALANCE SHEET AS AT MARCH 31, 1977

(With comparative figures for 1976)
(In thousands of dollars)

Assets	1977	1976
Current		
Cash	\$ 2	\$ 2
Accounts receivable	718	465
Equipment and supplies	1,129	975
Prepaid expenses	<u>46</u>	<u>221</u>
	1,895	1,663
Fixed		
Land	7,293	5,630
Buildings and equipment (Note 2)	46,117	35,688
Improvements to railway right of way and railway plant, net of accumulated amortization of \$173 (\$77 — 1976)	5,813	2,749
Toronto Transportation Terminal Project (Note 3)	954	561
Construction in progress (Note 3)	<u>2,502</u>	<u>316</u>
	62,679	44,944
Other		
Progress payments on rail equipment (Note 4)	<u>8,233</u>	<u>5,419</u>
	<u>\$72,807</u>	<u>\$52,026</u>

Liabilities	1977	1976
Current		
Accounts payable and accrued liabilities	\$629	\$663
Unearned revenue in respect of tickets sold and not used	<u>85</u>	<u>175</u>
	714	838

Equity	1977	1976
Province of Ontario	<u>72,093</u>	<u>51,188</u>
	<u>\$72,807</u>	<u>\$52,026</u>

On behalf of the Members

A. T. C. McMeel

Chairman and
Chief Executive Officer

L. H. Pannam
Member

See accompanying notes to financial Statements.

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1977
(With comparative figures for 1976)
(In thousands of dollars)

	1977	1976
Revenue		
Commuter services	\$13,359	\$10,418
Other	573	395
	<u>13,932</u>	<u>10,813</u>
Expenses		
Train and bus operations	20,528	16,126
Terminals and plant	5,328	5,005
General and administration	2,634	2,037
	<u>28,490</u>	<u>23,168</u>
Operating loss	14,558	12,355
Operating subsidy from the Province of Ontario	11,155	9,506
	<u>3,403</u>	<u>2,849</u>
Development costs previously capitalized (Note 3)	794	—
Loss for the year	<u>\$4,197</u>	<u>\$2,849</u>

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1977
(With comparative figures for 1976)
(In thousands of dollars)

	1977	1976
Equity at beginning of year	\$51,188	\$39,534
Capital contributions from the Province of Ontario	25,102	14,503
	<u>76,290</u>	<u>54,037</u>
Loss for the year	4,197	2,849
Equity at end of year	<u>\$72,093</u>	<u>\$51,188</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1977
(With comparative figures for 1976)
(In thousands of dollars)

	1977	1976
Source of funds		
Contributions from the Province of Ontario	\$36,257	\$24,009
Funds assumed from the Province of Ontario	—	1,041
	<u>36,257</u>	<u>25,050</u>
Application of funds		
Operating loss	14,558	12,355
Items not requiring an outlay of funds		
Depreciation	3,397	2,695
Amortization of improvements to railway right of way and to railway plant	96	77
	<u>11,065</u>	<u>9,583</u>
Capital expenditures on land, buildings and equipment	\$15,489	
Less progress payments made in the previous year	5,419	
	<u>10,070</u>	<u>5,520</u>
Improvements to railway right of way and to railway plant	3,160	2,826
Progress payments on rail equipment	8,233	5,419
Toronto Terminal Project	787	561
Construction in progress	2,586	316
	<u>35,901</u>	<u>24,225</u>
Increase in working capital	<u>\$ 356</u>	<u>\$ 825</u>

See accompanying notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1977
(In thousands of dollars)

1. Summary of significant accounting policies

a. General

The Authority was established as a Crown Agency by the Legislature of the Province of Ontario on June 28, 1974. Financial statements are prepared on the accrual basis using normal commercial accounting practices.

b. Equipment and supplies

Equipment and supplies are valued as follows:

Items acquired from the Ministry of Transportation and Communications for a nominal consideration on April 1, 1975 — Replacement cost at April 1, 1975

Items purchased by the Authority subsequent to April 1, 1975 — Lower of cost and replacement cost

The Authority uses the first-in, first-out method to record transfers from equipment and supplies.

c. Fixed assets

Fixed assets are valued as follows:

Fixed assets acquired from the Ministry of Transportation and Communications for a nominal consideration on April 1, 1975 — Replacement cost at April 1, 1975 net of depreciation calculated on the replacement values on a straight-line basis

Fixed assets acquired subsequent to April 1, 1975 — Cost at the date of acquisition

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following rates on the straight-line basis:

Buildings and equipment

Buildings — Varying rates between 5% and 20%
Locomotives — 4%
Rail rolling stock — 4%
Buses — Varying rates between 8% and 14%
Parking lots — 5%
Sundry — Varying rates between 5% and 25%

Improvements to railway right of way and to railway plant — Varying rates between 5% and 33%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses.

2. Buildings and equipment

	1977		1976	
	Value	Accumulated Depreciation	Net Book Value	Net
Buildings	\$ 1,100	\$ 216	\$ 884	\$ 535
Locomotive and auxiliary power control units	9,074	1,569	7,505	7,390
Other railway rolling stock	30,530	2,802	27,728	22,467
Buses	10,391	1,331	9,060	4,432
Parking lots	785	110	675	691
Sundry	329	64	265	173
	<u>\$52,209</u>	<u>\$6,092</u>	<u>\$46,117</u>	<u>\$35,688</u>

See accompanying notes to Financial Statements.

3. Development costs previously capitalized

Toronto Transportation Terminal Project	\$394
Construction in progress	400
	<u>\$794</u>

a. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project was established to consider the renovation of Toronto Union Station, the modification or relocation of railway track and signals, and the construction of the Bathurst Street grade separation.

During the year, the parties involved in the Project, the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railways, the Canadian Pacific Railways and the Toronto Terminals Railway Company, accepted the Master Plan subject to the development of a satisfactory cost sharing agreement. To date, the parties have not reached agreement on funding for the Master Plan and work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

The Authority underwrote the engineering and planning costs of the Master Plan on the understanding that these costs would be shared by the respective parties when the Project was approved and a cost sharing agreement was established. As work is only proceeding on that portion of the plan relating to the Authority's requirements, a provision of \$394 for engineering and planning costs relating to other improvements has been established in the financial statements. This amount may be recoverable when construction of the Master Plan is undertaken.

b. Construction in progress

The Authority is re-assessing its plans for maintenance facilities due to the present delay in the development of the Master Plan for the Toronto Transportation Terminal. As the proposed maintenance facilities at Willowbrook in the Borough of Etobicoke may not be developed as planned, a provision of \$400 for planning and engineering costs has been established in the financial statements.

4. Progress payments on rail equipment

Progress payments represent disbursements for eighty undelivered bi-level commuter coaches under construction by Hawker Siddeley Canada Ltd.

5. Commitments

The nature and cost of commitments undertaken by the Authority are outlined below:

Contract for the construction of eighty bi-level commuter coaches as mentioned in Note 4, net of progress payments made to March 31, 1977	\$25,000
Memorandum of understanding for improvements to the railway right of way on the Richmond Hill corridor, net of payments made to March 31, 1977	1,500
Station redevelopment costs, net of payments made to March 31, 1977	825
Agreement to purchase land in the Borough of North York for the site of the bus maintenance facilities	1,100
Memorandum of intent to lease proposed bus terminal facilities at Yorkdale Shopping Centre for a period of fifteen years at an annual rent of \$345	5,175
	<u>\$33,600</u>

6. Comparative figures

In order to conform with presentation adopted in 1977, an amount of \$159 has been included in equipment and supplies and accounts receivable in the comparative figures on the balance sheet. This amount was disclosed as advances to Canadian National Railways at March 31, 1976.

SUMMARY OF SUNDRY REVENUE

	1977	1976
	(S000's)	
Equipment Rentals	112	114
Bus Parcel Express	328	235
Interest Income	22	18
Advertising Revenue	90	13
Miscellaneous Income	<u>21</u>	<u>15</u>
	<u>573</u>	<u>395</u>

Objectives

The Toronto Area Transit Operating Authority Act, 1974, established the Authority as an Agency of the Crown:

To design and operate inter-regional transit for people whose travel takes them through more than one regional municipality;

To encourage convenient and efficient meshing of the several transit systems operating in the Toronto centred area;

And to serve as an information clearing house and resource centre for municipal transit systems in the area.

GO Transit

The Authority operates all the commuter services of Government of Ontario Transit.

Area of Jurisdiction

The Authority is, for practical purposes, a voluntary association of the regional municipalities of Peel and York, The Municipality of Metropolitan Toronto, and the Province of Ontario.

The task force which recommended establishment of a centralized operating authority proposed inclusion of the Regional Municipality of Durham in an area which would encompass all the Toronto oriented commuter corridors. Durham, however, opted not to join the association.

To the west of the area of jurisdiction are the regions of Halton and Hamilton-Wentworth where the primary travel patterns are not strongly oriented to Toronto. Nevertheless, there is significant traffic between these regions and the Authority area. Accordingly, provision is made in the Act for Halton and Hamilton-Wentworth participation at Authority meetings in discussion of matters affecting those regions.

Membership

The Authority is composed of four members: the chairman, appointed by the Lieutenant Governor in Council; and the chairmen of the regional councils of Peel, York and Metropolitan Toronto. And serving as associate members, the regional chairmen of Halton and Hamilton-Wentworth.

Members

A.T.C. McNAB
Chairman and Chief Executive Officer

P.V. GODFREY
Chairman, Metropolitan Council of The Municipality of Metropolitan Toronto

L.H. PARSONS
Chairman, Regional Council of The Regional Municipality of Peel

G.E. WRIGHT
Chairman, Regional Council of The Regional Municipality of York

Associate Members

Mrs. A.H. JONES
Chairman, Regional Council of The Regional Municipality of Hamilton-Wentworth

R.B. MORROW
Chairman, Regional Council of The Regional Municipality of Halton

Officers

W.T. HOWARD
Managing Director and Secretary

J.M. BURWELL
Director of Finance and Administration and Treasurer

D.A. SUTHERLAND
Director of Operations

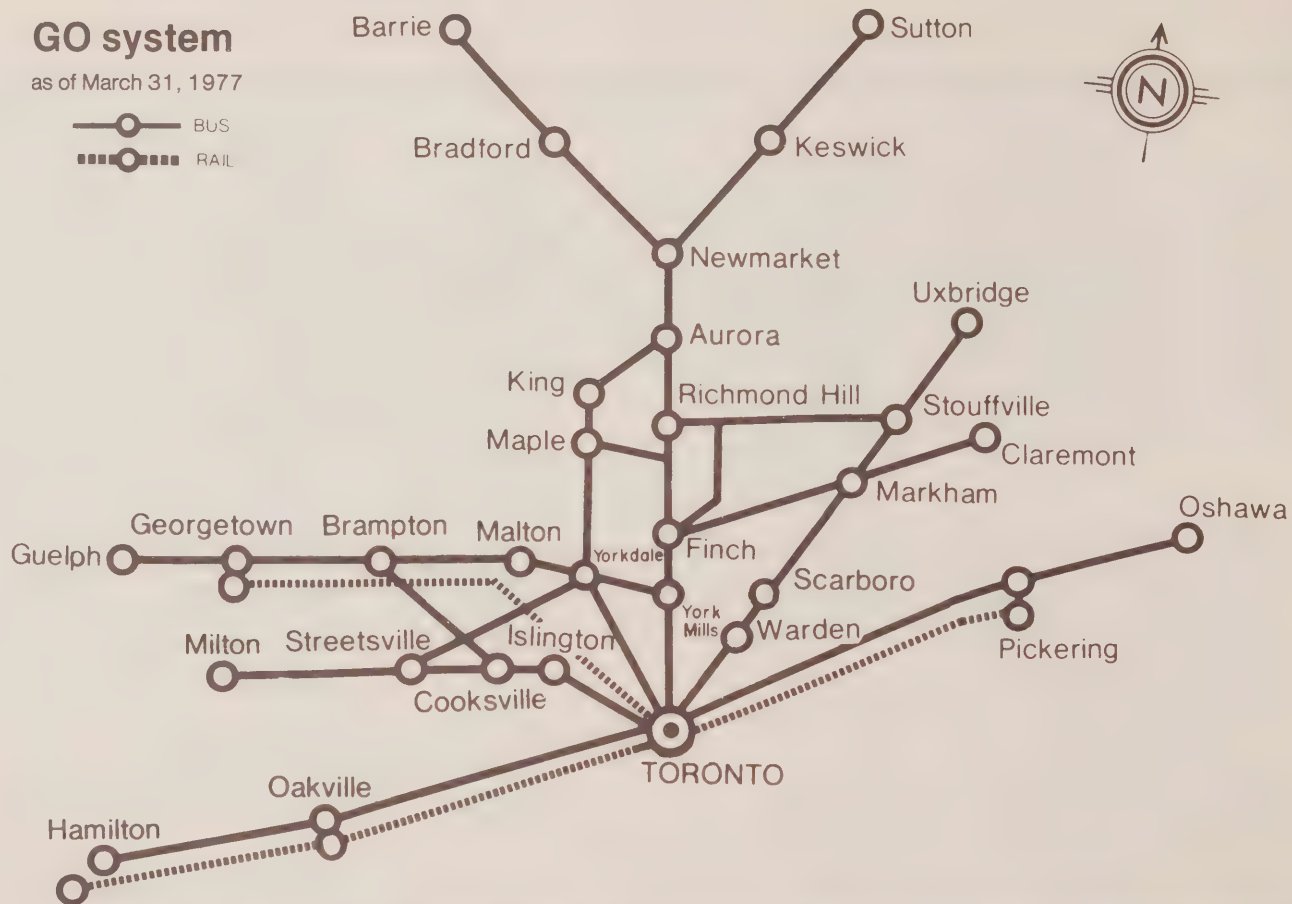
R.A. RULE
Director of Special Projects

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

GO system

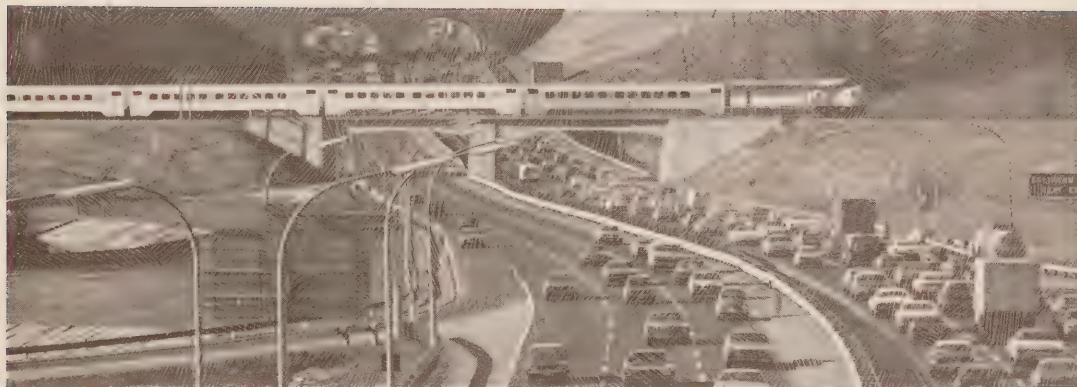
as of March 31, 1977



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TORONTO AREA TRANSIT OPERATING AUTHORITY

Govt
Pubns



Annual Report

For the year ended March 31, 1978



Government
of Ontario
Transit





Toronto Area Transit Operating Authority

3625 Dufferin Street
Downsview, Ontario
M3K 1Z2
Telex 06-524145
MTC Toronto

1978 08 29

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Sir:

It is my pleasure, on behalf of the Authority
Members, to present the 1977/78 annual report of the
Toronto Area Transit Operating Authority.

Respectfully submitted,

A.T.C. McNab,
Chairman and
Chief Executive Officer.

Government
of Ontario
Transit

A.T.C. McNAB
Chairman
A.T. LEACH
Managing Director

J.W. BEATH
Regional Municipality of Durham
P.V. GOFFREY
Municipality of Metropolitan
Toronto

MRS. A.H. JONES
Regional Municipality of
Hamilton/Waterloo
R.B. MORROW
Regional Municipality of Halton

L.H. PARSONS
Regional Municipality of Peel
G.E. WRIGHT
Regional Municipality of York



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416/965-2101

1978 08 29

The Honourable Pauline M. McGibbon,
O.C., B.A., L.L.D., D.U., B.A.A.,
Lieutenant Governor of the Province
of Ontario,
Legislative Building,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour:

The undersigned takes pleasure in laying before you
the report of the activities of the Toronto Area
Transit Operating Authority for the year ended
March 31st, 1978.

Respectfully submitted,

James Snow,
Minister.



Chairman's Summary

Perhaps the most significant development in TATO's third fiscal year was the expansion of our area of jurisdiction. The Toronto Area Transit Operating Authority Act was amended to add the chairmen of the regional municipalities of Durham, Halton and Hamilton-Wentworth as members of the Authority. The jurisdiction now more fully conforms with the inter-regional travel patterns of the Toronto-centred commutershed and all regions are represented on the Board.

The dominant influences on transit development in fiscal 1977 continued to be financial constraints and the high cost of doing business. It was not possible, within GO Transit resources, to meet all demonstrated and latent demand in the area. The strategy therefore has been to allocate those resources where maximum results could be expected. An example was the abandonment of the Markham GO Bus feed to the Yonge Street subway at Finch station. This service ran in parallel with a similar route of Markham Transit; patronage was not sufficient to support both operations.

As projected, operating cost escalation outpaced our growing revenue base and we faced the prospect of an increasing deficit to be met by the Ontario taxpayer. Provincial policy

directs GO Transit to a target of covering 65 percent of its operating costs from passenger fares, thus conforming to the same imperatives which apply to all municipal transit in Ontario. As well, the imminent signing of a new operating agreement with Canadian National Railways was expected to bring a 30 percent increase in operating costs. Accordingly the Authority requested and received Provincial approval of an increase in GO fares, scheduled for introduction on April 1, 1978.

GO Bus operations in the new transit corridor along Highway 401 across the top of Metropolitan Toronto received very encouraging public acceptance. The initial segment from Milton in the west to the Yonge subway station at York Mills was well patronized and by the end of the year we were able to schedule a service frequency of seven trips daily in each direction. The corridor also feeds the new Spadina subway at its Yorkdale station. This 401 service is now being developed in its eastern segment through to Oshawa.

With the opening of the Spadina subway, temporary bus terminal facilities were established adjacent to Yorkdale station, pending construction of the new terminal by the owners of Yorkdale Shopping Centre.

Much of the GO Bus operation is now anchored on the north sector of Metropolitan Toronto. To service these buses, which no longer terminate their runs in the downtown core, a major maintenance garage will be established in the Downsview area, conveniently accessible from the subway terminal points. Property for this facility was acquired during the year.

Progress continued on the redevelopment of the Lakeshore rail stations: New facilities were opened at Rouge Hill, Guildwood, Eglinton, Clarkson and Oakville West; reconstruction was initiated at Port Credit and Scarborough stations. The next two years will complete this upgrading programme. Construction was also completed at the four stations on the new Richmond Hill rail service.

The question of maintenance facilities for the growing fleet of rail rolling stock continued under study with Canadian National. By year end feasibility studies and definitive design had been completed and we were in a position to proceed with the necessary property acquisition.

A high point in the year was the arrival of the first of our new double deck railway coaches. The GO bi-levels, designed and built in Ontario, have been enthusiastically received by the

industry and the commuting public alike. They will substantially raise capacity on the Lakeshore rail corridor and free up conventional cars for use on new corridors: for the Richmond Hill line, which was set for launch the end of April, 1978, and the Streetsville/Milton line, scheduled for inauguration in 1981.

The Toronto Transportation Terminal project, after many frustrating setbacks, including the withdrawal of direct Federal Government support, received approval from all concerned agencies for its modified plan to expand and improve commuter train facilities at Union Station. First contracts are to be called in the spring of 1978 and, although the full project will not be completed until 1981, passengers will be using the new GO station concourse next year.

With the GO Train service expanding at the rate of 10 percent additional passenger trips each year, the pressure on our car parking capacity has become an acute problem. Parking lot expansion cannot continue indefinitely and the Authority has initiated intensive study to develop ways to encourage passengers to get to the station by modes other than the private car. The most promising avenue appears to be the improvement of local transit and GO Train connection convenience and we are working to this end with the municipal operators.

In spite of capacity problems and financial restraints, GO patronage maintains its healthy growth. Established mature routes increased carryings by nine percent while the total system, including new and added services, was up 15 percent over the previous year.

The year ahead looks bullish: The new rail service from Richmond Hill should see steady growth; new bi-level capacity will permit increased carryings on the Lakeshore; the potential from our new bus services should be realized; and revamped bus services along the Lakeshore from Hamilton to Oshawa should see improved performance there. We look forward to offering improved levels of service and are confident of public acceptance.

I would bring to your attention a major shift of senior personnel. The complexity and importance of the Toronto Transportation Terminal, referred to above, warranted special attention. W.T. Howard moved to assume executive direction of the project. And to succeed Mr. Howard as the Authority's managing director we were fortunate to secure the services of A. F. Leach.

The winter of 1977-78 was extremely hard on transportation operations as snow, blizzards and low temperatures disrupted GO Transit services. The loyal GO commuters must be commended for their understanding and patience, and I must acknowledge the dedicated and round-the-clock efforts of staff at TATO and the operator contractors, Canadian National, Gray Coach and Travelways.



A.T.C. McNab
Chairman and
Chief Executive Officer

Managing Director's Report

AREA CO-ORDINATION



Corridor Rationalization

Following the successful rationalization in 1976 of bus services in the Toronto/Newmarket corridor, additional studies were undertaken in three areas as a joint effort of the MTC, TATO and the regions and municipal transit bodies concerned.

A study was completed in the Markham area, which is served by both Markham Transit and GO, the latter service having been introduced on a trial basis in 1976. A review of the combined services confirmed that the poor overall financial performance was due to the duplication of services to the Metropolitan Toronto area. Following intensive discussion it was agreed that Markham Transit should continue to operate the local service in the corridor. The Authority therefore discontinued GO service between Markham and Finch subway station on March 31, 1978, to help promote the financial viability of the municipal operation.

Duplication of services resulted from the presence of GO Transit, private bus operations and proposed municipal transit connections in the Toronto/Oshawa/Bowmanville corridor. A bus transit study has been completed and recommends a rationalization of services to eliminate duplications, expand coverage and improve inter-system connections. It is expected the

recommendations will be implemented during 1978. Some of the proposed changes are an improved level of service for passengers travelling between Whitby and Oshawa; these changes would be reinforced with connections with some of the local transit services and possibly to the proposed Whitby municipal system.

The third study was done in the Hamilton/Burlington/Oakville corridor and, if approved by the regions and municipalities concerned, could also be implemented during 1978. A higher level of service would result between Hamilton and Burlington, with the majority of the improvements in the Skyway corridor. Also recommended is an express bus service between Hamilton and the GO Train station at Oakville.

It is significant that these rationalization studies are pointing the way to substantial improvements in service and accomplishing them at a net reduction in subsidy cost to the Ontario and municipal taxpayer.

In addition to the above studies, there is an ongoing effort to coordinate current GO operations with municipal transit systems. The greatest impact is occurring at the rail stations, new designs for which include provision for municipal transit connections. A good example of this is the exclusive bus loop at the Clarkson

train station which gives Mississauga Transit access to the station via an exclusive entrance-exit, providing maximum efficiency with minimum disruption to operations. A similar design is envisaged for Port Credit station, which is being expanded.

Hamilton Terminal

During 1977 TATO participated in a joint study with the Regional Municipality of Hamilton-Wentworth to assess the future terminal requirements of downtown Hamilton.

Oshawa Transit Garage

Participating in its first integrated venture for garage expansion, the Authority negotiated an agreement with the Oshawa Public Utilities Commission and MTC for indoor storage and minor maintenance for 20 buses.

Designed to provide economies for all parties concerned, the overall project involves expansion of the existing Oshawa Transit Garage, construction of which was slated for commencement by mid-1978 and completion by the end of the same year.

TATO is involved in capital outlay for its share of storage and dispatchers' offices. Current storage for the Oshawa corridor provides inside space for 10 buses only; the existing Gray Coach Lines garage cannot be expanded to meet the requirements.



DEVELOPMENT

Richmond Hill Commuter Rail

Rail service to Richmond Hill came closer to reality, with work on most facilities virtually completed during the fiscal year.

It was agreed that the rail service could commence without awaiting construction of the grade separations at Markham Road and at 16th Avenue, and work progressed on track rehabilitation, signal facilities, station buildings and parking lots.

Included in the cost was \$6.5 million for five miles of new track between Richmond Hill and Thornhill and \$1.2 million for the station buildings and facilities.

Schedules for the three rush-hour trains in each direction were finalized and opening ceremonies were planned for the end of April, with the first day of revenue service set for May 1, 1978.

Rail Station Redevelopment

Reconstruction of the three Lakeshore GO rail stations—Clarkson, Rouge Hill and Guildwood, begun in 1976—was completed during the summer of 1977. The redeveloped stations now boast new ticket sales buildings and canopied platform areas with windbreaks. Further modifications to provide enclosed shelters are planned for 1978.

Another station in this program where construction was initiated this year was Port Credit, which saw the completion of a ticket sales building and platform canopy and shelters. TATOAcquired property adjacent to the Port Credit station and launched design work for the addition of some 170 parking spaces as well as bus-loading facilities and improved kiss-and-ride designated areas on the site. This construction should begin in mid-summer of 1978.

Scarborough station was severely disrupted by the commencement of construction of a grade separation of St. Clair Avenue and Canadian National Railways tracks as part of a Metro Toronto contract. This resulted in major access changes and the Authority chose to include a new pedestrian underpass in the contract as well as an extension of the parking area by about 60 vehicle spaces. The cost of this new work to the Authority was approximately \$400,000. The Authority also plans to award a contract in early summer of 1978 for construction of a new ticket sales building and platform shelter facilities.

At Eglinton station, this year saw the completion of a new ticket sales building constructed by a local developer, who also plans to build a commercial-residential hotel complex next to the GO station property. The new station building is now in use under a long-term lease

agreement. Access to the platform areas will be improved considerably upon completion of a new pedestrian underpass, constructed by CNR, in mid-1978.

The old Bronte station in the Oakville area was abandoned following the opening of the new Oakville West station, which provides 215 vehicle parking spaces. The new station is located just west of the Third Line and was officially opened in early November, 1977. Design work for the redevelopment of Long Branch station was started with the intention of awarding a contract for the work in early 1978.

A study involving the Ministry of Transportation and Communications, the Region of Halton, the Town of Burlington, the Town of Oakville and TATOAc recommended two additional new stations for the extension of upgraded rail service to Burlington. The most westerly of these is a new Burlington station, to be located midway between the Guelph Line and Brant Street on the south side of the CNR right-of-way. This station would replace the existing CN station adjacent to Brant Street; property acquisition negotiations for this site have been initiated on TATOAc's behalf by MTC. The second site, Appleby Line station, when constructed, is to be located just east of Appleby Line on the north side of the CN right-of-way.

Milton/Toronto Commuter Rail Project

A station location and site study for this project was completed in March, 1977. Seven stations were recommended for this service corridor: Kipling (subway), Dixie Road, Highway 10, Burnhamthorpe, Streetsville, Meadowvale and Milton. Property for the Dixie Road station was acquired in 1977 and negotiations are continuing with a separate owner for access to this site. CP Rail continued with its detailed investigation study of the railway plant requirements for this GO commuter rail service and final documentation was scheduled for early 1978; this study will identify the cost and timing implications of the project. Negotiations with CP Rail are nearing completion to allow capital improvements to trackage. The project has been given full Government approval.

Rail Equipment Maintenance Facility

The 1976 annual report noted the feasibility and pre-design studies for a new maintenance and servicing plant at Mimico for GO rolling stock. Late this year, a new definitive report recommended including a service and maintenance building, a crew centre, a train-set servicing yard, associated trackage for access to buildings, run-around, coach storage, a train-set changeout platform, a new fuelling system,

outside wheel storage, paved platforms, access roadways and employee parking lot.

The new study was necessitated by the Authority's reassessment of its plans for maintenance facilities because of the uncertainty surrounding the Toronto Transportation Terminal project, particularly the failure to resolve the existing congestion of rail traffic at the Bathurst Street junction.

Subsequently, the Authority proceeded with plans to acquire property from CN for \$4 million in the spring of 1978 and to launch a two-year \$17-million construction program by late 1978.

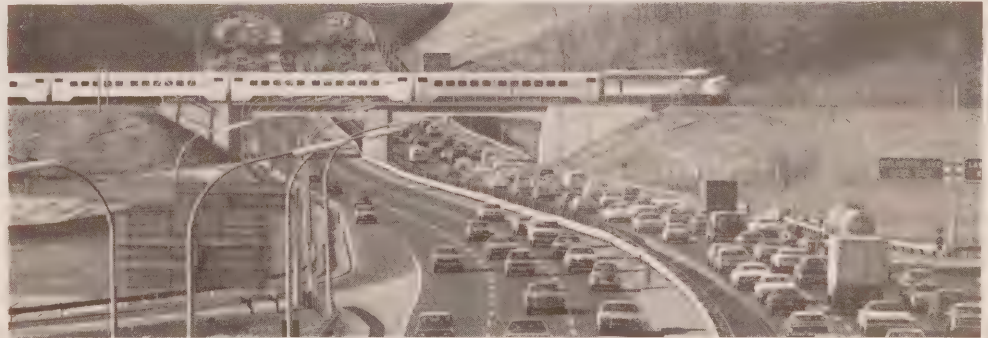
Garages

During fiscal 1977 TATOA's bus storage requirements were addressed and the Authority

successfully concluded agreements with both municipal and private operators for the overnight storage of GO Buses in outlying areas. These municipal locations include Oshawa, Mississauga, Oakville and Burlington, as well as locations in Georgetown and Uxbridge.

Indoor storage for 20 buses will be provided on completion of a joint transit garage expansion under way with Oshawa Transit. This is TATOA's first such joint planning venture for garage expansion and the Authority is involved in capital outlay for its share of the storage area and dispatch offices only.

The design phase of TATOA's new maintenance facility has been substantially completed and the grading of the site has been done. This project should get under way about mid-1978 and be completed by mid-1979.



Toronto Transportation Terminal

This project, first announced in 1976, originally involved the redevelopment of both GO Transit and intercity passenger facilities within Toronto Union Station and the redevelopment of the rail corridor from Union Station through Bathurst Street. The cost of the entire project, estimated at \$68 million, was to be shared by the Federal and Provincial Governments; however, during the year the Province was informed that no specific Federal funds would be allotted the project.

The introduction of bi-level cars, service to Richmond Hill and the planned service to Milton made it essential that improvements to GO facilities within the station and corridor be carried out. Accordingly the Authority was authorized to proceed with modified schemes, accommodating only GO's needs, which could be carried out within the \$38 million which had been allocated as the Province's share of the project.

By year's end the first phase of the corridor improvements, which involved the reorganization of freight activities, had been substantially completed. A number of alternative schemes for the redevelopment of the track and signal system through the corridor had been prepared but none had received railway approval. The modified plan for improvements to GO facilities in the station was completed and accepted by the railways.

Proposed Yorkdale Bus Terminal

The owners of Yorkdale Shopping Centre are continuing in their efforts to complete the plans and obtain the building permit for the proposed Yorkdale Bus Terminal. It is expected this will be completed in the near future; actual construction is expected to commence this summer, with the building scheduled to be in use one year later.

Meanwhile, a temporary terminal comprising a shelter and bus area was built for \$15,000 in January, 1978.





OPERATION

Patronage

Overall ridership on GO Transit services continued its upward swing, with an increase of approximately 2.3 million riders, or 15.4 per cent.

Growth rates on all corridors were substantial, with service to the North seeing the largest jump—57 percent, the bulk of which was due to increased feeder service to the TTC subway system at Yorkdale and Finch stations.

Once again there was a healthy increase in the Northwest corridor with a 17.5 percent growth in ridership. Two main factors were responsible for this hike: the increased level of service provided between Georgetown and Yorkdale/York Mills, and a 55 percent increase in ridership in the Streetsville/Milton corridor. This latter jump was due to increases in express bus service as an interim measure in anticipation of rail service and to rerouting in Meadowvale to improve the catchment area.

The Lakeshore rail lines showed another good increase, with seven percent more riders than in 1976/77 — or a ridership figure nearing the nine-million mark.

Passenger Statistics (Thousands)

Corridor	Bus	Rail	Total	1977
Lakeshore East	1122	3395	4517	4058
Lakeshore West	2153	5560	7713	7202
Northwest	822	1087	1909	1625
North	2757	—	2757	1761
Northeast	152	—	152	125
Total trips	7006	10,042	17,048	14,771

Kilometres Operated

Corridor	Train Kilometres	Bus Kilometres
Lakeshore East	560,652	1,483,115
Lakeshore West	618,652	3,363,191
Northwest	109,554	1,779,337
North	—	2,255,807
Northeast	—	1,011,527
Total	1,288,858	9,892,977

Route Kilometres Operated

Bus

	Lakeshore East	Lakeshore West	North West	North	North East	All Corridors
At April 1, 1977	133	177	323	362	182	1177
Added during year	55	—	—	—	—	55
At March 31, 1978	188	177	323	362	182	1232

Rail

At April 1, 1977, and
unchanged during
the year

34	63	47	—	—	144
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Total route kilometres
operated at
March 31, 1978

222	240	370	362	182	1376
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Service to Special Events

Service to special events continued to be an important GO function. Attractions such as parades, sporting events and concerts in the downtown Toronto core area drew large crowds throughout the year and GO attempted to anticipate demand and tailor service capacity accordingly.

Once again, Exhibition Place was by far the largest generator of special-event patronage and GO's involvement increased proportionately with the increase of periodic attractions there. With expanded stadium capacity of 56,000 for football games, GO has been scheduling extra trains to each game for the past two seasons, handling as many as 12,000 passenger trips for a single Argonauts game.

An unprecedented level of ridership to the Canadian National Exhibition in August was set in 1977. By the end of the three-week show, 683,000 passenger trips had been recorded—a CNE record for GO. Half-hourly service along Lakeshore West was provided every morning, with similar service provided from the East as well on weekends. Extra homebound trains were operated every evening also in both directions. The Exhibition GO station handled the traffic with ease; on some days more than 50,000 passengers were handled with little or no congestion in the ticketing areas.

The overall ridership to Exhibition Place in 1977 reached 1,133,000 passenger trips, or 13 per cent of the Lakeshore ridership total.

For the first time, no GO Bus services operated directly to the CNE. Instead special feeder buses were operated to connect with Lakeshore GO Trains at Clarkson, Port Credit and Rouge Hill.

The significant operating economies realized allowed GO to provide more frequent CNE service to the bus-served communities than possible by the costly operation of buses directly into the traffic-choked area of the CNE. Homebound schedules in particular, which had been restricted to one early evening and one late evening departure only, were able to be improved to allow a range of homebound departure times.

The Toronto Blue Jays baseball team, in its first season in 1977, also meant special handling during home games. Again Exhibition station coped well.

Overall transit planning for the CNE is handled by a committee of officials from TATO, TTC, Metropolitan Toronto Roads Department, Metro Police, the CNE and its exhibitors.

Equipment

The GO Bus fleet continued to grow. During 1977, 12 intercity type buses were delivered, bringing the total TATO fleet to 142 buses to meet growing demand and provide new services. The existing fleet embarked on an overhaul program, with the first 15 vehicles, delivered in August, 1970, being refurbished this year. The overhaul includes complete renovation of interiors, refurbishing of exterior panels and a new color scheme.

Two-way radios were introduced on the North Yonge corridor during fiscal 1977, with 15 sets installed. The main operational advantages are flexibility, giving better balancing of loads and thus improved service to customers, and safety, through constant communication. Plans are afoot to extend installation to the entire bus fleet in the near future.

Bi-levels

On the rail front, work continued on the 80 bi-level coaches ordered in September, 1975, from Hawker Siddeley Canada Ltd. of Thunder Bay. The first coaches were delivered in late 1977 and, following an intensive test program, the new coaches entered service on the Lakeshore line on March 13, 1978.

Probably the most significant North American rail commuter engineering achievement in at least a decade, the bi-level, designed and built in Ontario with passenger comfort in mind, incorporates several important new features.

Each car has a full upper deck, a first for North American bi-level commuter equipment. Unique carbody design gives ample headroom on both levels for the 162 passengers (compared to 94 in GO single-level coaches). End doors allow passengers to walk between moving cars, another first on the GO system and one which should help even out loadings. External passenger door control buttons have been provided to allow a passenger to open a door to let himself or herself into the car—but only when the system has been activated by a member of the train crew. This feature is designed to allow trains laying over for several minutes in a station to close its doors to contain the heat or air-conditioning, thus saving energy. And, again for passenger comfort and convenience, each bi-level car is equipped with a washroom and water fountain, another first on the GO system.

Other people-oriented features include newly-designed seats for maximum seating ease, a push-out coathook over every seat, bright interior colours of orange and blue, carpeting, eye-saving lighting, tinted windows and newly-designed wheel assemblies and suspension system providing vastly-increased ride comfort and much lower noise levels.

The new cars have been received enthusiastically by the commuting public and the industry alike.

New Locomotives

The Authority ordered six new F40PH 3000hp commuter diesel locomotives from General Motors of Canada's Diesel Division in London, Ontario. Originally developed for the American Amtrak intercity passenger system for use with its new Amfleet equipment, the locomotives are the first of their type manufactured in Canada. Various modifications were made to adapt them for Canadian service.

The locomotives, unlike most units being built today, feature a full-width carbody and a main engine that provides both traction power and energy supply for an alternator for hotel power. Previously, hotel power was provided by another diesel power plant in the locomotive, a system that had many drawbacks in both maintenance and operation. The new units were ordered for delivery by May, 1978.

Maintenance

Fourteen passenger waiting shelters were installed by plant division maintenance staff along the Highway 2 Lakeshore East bus corridor, bringing the total along that line to 20. The new shelters—fully-enclosed 4-by-12-foot structures—were left over from redevelopment of Lakeshore rail stations. The project cost \$4,500 for labour and equipment.

Maintenance of 40 bus shelters on the North Yonge corridor is being carried out at an approximate annual cost of \$18,000 by the ARC Industries adult rehabilitation centre of Richmond Hill under a September, 1977, agreement with TATO. The maintenance along the 30-kilometre Newmarket-to-Steeles Avenue line involves cleaning, washing and winter salting and the work being done by ARC, the plant division reports, is "just excellent". In fact, there have been numerous occasions when many of the shelters were cleaned over and above what was called for in the contract, indicating strong pride by the ARC workers concerned; also, the Authority has received no complaints, only compliments, about the maintenance.

ARC Industries' management is enthusiastic about the program because it provides excellent outside therapy to assist the rehabilitation of these handicapped persons. The work is expedited by a maintenance vehicle bought by ARC with a Ministry of Community and Social Services subsidy.

Snow removal cost \$380,000 in fiscal 1977/78, one of the highest expenditures ever because of the severe winter. Snow removal on rail platforms was expedited with the purchase in the fall of 1977 of three new Kubota tractors and two trailers for \$31,500.

Vandalism on the GO system decreased during the fiscal year. Damage from reported incidents of vandalism totalled \$5,200 from May, 1977, to April, 1978, compared to \$6,652 from April 1976, to April, 1977. The main reason for this \$1,452 decrease was the February, 1977, fire at Long Branch station, which was started by vandals and resulted in estimated damages of \$3,200.



CN Operating Agreement

GO Transit's original 10-year operating agreement with Canadian National Railways expired May 23, 1977, and negotiations for a new agreement took place intensively throughout the year. TATOA negotiators found CN's original proposals would have meant close to a 60 percent increase in operating costs, an impossibly large jump. However, many weeks of detailed talks both in Toronto and at railway headquarters in Montreal by year's end had brought the parties near agreement, with the anticipated operating cost increase cut in half.

Fare Increase

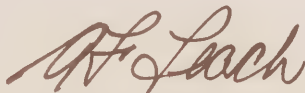
Faced with steadily increasing costs and anticipating a hefty jump in operating charges under a new agreement being negotiated with Canadian National Railways, TATOA received approval for a fare increase averaging 17 percent to take effect April 1, 1978. The third

increase in as many years, it was also designed to bring the portion of operating costs paid from fares collected closer to the 65 percent target set by the Provincial Government.

The fare adjustment also saw an increase in the discount allowed on purchases of monthly passes and a decrease in the discount on 10-ticket books in an effort to convert more riders to the use of the monthly cards.

A 35-cent premium was added to fares on trips going into the downtown Toronto area from points in the Newmarket corridor as part of a program to encourage riders to transfer to the TTC subway at suburban terminals. Under the new fare structure, the combined GO fare to the subway and the TTC fare is less than the fare for the direct GO Bus ride to downtown.

A Family Pass designed to allow family groups to use GO services at virtually half-price was another feature of the revamped fare regulations.



A.F. LEACH
Managing Director and Secretary

Auditors' Report

To the Members of the Toronto Area
Transit Operating Authority and
the Minister of Transportation
and Communications

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1978, and the statements of operations, equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1978, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Toronto, Ontario
July 6, 1978

Touche Ross & Co.
Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 1978

(With comparative figures for 1977)

(In thousands of dollars)

Assets	1978	1977
Current		
Cash	\$ 52	\$ 15
Accounts receivable	35	42
Due from the Province of Ontario	3,393	663
Spare parts and supplies	1,241	1,129
Prepaid expenses	49	46
	<u>4,770</u>	<u>1,895</u>
Fixed		
Land	8,702	7,293
Buildings and equipment (Note 2)	52,766	46,478
Improvements to railway right of way and railway plant, net of accumulated amortization of \$389 (1977 - \$154)	10,412	5,452
Toronto Transportation Terminal Project (Note 3)	5,082	954
Construction in progress	6,846	2,502
Progress payments on rail equipment (Note 4)	26,060	8,233
	<u>109,868</u>	<u>70,912</u>
	<u>\$114,638</u>	<u>\$72,807</u>

Liabilities	1978	1977
Current		
Accounts payable and accrued liabilities	\$ 3,342	\$ 629
Unearned revenue in respect of tickets sold and not used	475	85
	<u>3,817</u>	<u>714</u>
Equity		
Province of Ontario	110,821	72,093
	<u>\$114,638</u>	<u>\$72,807</u>

On behalf of the Members



Chairman and
Chief Executive Officer



Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1978

(With comparative figures for 1977)

(In thousands of dollars)

	<u>1978</u>	<u>1977</u>
Equity at beginning of year	\$ 72,093	\$51,188
Capital contribution from the Province of Ontario	<u>43,129</u>	<u>25,102</u>
	115,222	76,290
Loss for the year	<u>4,401</u>	<u>4,197</u>
Equity at end of year	<u>\$110,821</u>	<u>\$72,093</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1978

(With comparative figures for 1977)

(In thousands of dollars)

	<u>1978</u>	<u>1977</u>
Revenue		
Commuter services	\$16,134	\$13,359
Other	<u>461</u>	<u>573</u>
	<u>16,595</u>	<u>13,932</u>
Expenses		
Train and bus operations	28,423	20,528
Terminals and plant	6,113	5,328
General and administration	<u>2,942</u>	<u>2,634</u>
	<u>37,478</u>	<u>28,490</u>
Loss from operations	20,883	14,558
Operating subsidy from the Province of Ontario	<u>16,482</u>	<u>11,155</u>
	4,401	3,403
Development costs previously capitalized	<u>—</u>	<u>794</u>
Loss for the year	<u>\$ 4,401</u>	<u>\$ 4,197</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE ENDED MARCH 31, 1978

(With comparative figures for 1977)

(In thousands of dollars)

	<u>1978</u>	<u>1977</u>
Source of funds		
From the Province of Ontario		
Capital contribution	\$43,129	
Operating subsidy	<u>16,482</u>	
	\$59,611	\$36,257
Disposal of fixed assets	<u>140</u>	<u>—</u>
	<u>59,751</u>	<u>36,257</u>
Application of funds		
Operating loss	20,883	14,558
Less items not requiring an outlay of funds		
Depreciation	3,776	3,416
Amortization of improvements to railway right of way and to railway plant	<u>235</u>	<u>77</u>
	16,872	11,065
Capital expenditures on land, buildings, and equipment	11,613	
Less progress payments made in the previous year	<u>8,233</u>	
	3,380	10,070
Improvements to railway right of way and to railway plant	5,195	3,160
Progress payments on rail equipment	26,060	8,233
Toronto Transportation Terminal Project	4,128	787
Construction in progress	<u>4,344</u>	<u>2,586</u>
	59,979	35,901
(Decrease) increase in working capital	<u>(\$ 228)</u>	<u>\$ 356</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1978
(In thousands of dollars)

1. Summary of significant accounting policies

a. General

Financial statements are prepared on the accrual basis using commercial accounting practices.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following rates on the straight-line basis:

Buildings and equipment	
Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%
Improvements to railway right of way and to railway plant	
	Varying rates between 5% and 33%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses.

2. Buildings and equipment

	1978		1977	
	Value	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 1,274	\$ 367	\$ 907	\$ 884
Locomotive and auxiliary power control units	8,518	1,845	6,673	7,505
Other railway rolling stock	38,909	4,502	34,407	27,728
Buses	11,585	2,220	9,365	9,060
Parking lots	1,165	203	962	1,036
Sundry	580	128	452	265
	<u>\$62,031</u>	<u>\$9,265</u>	<u>\$52,766</u>	<u>\$46,478</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railways, the Canadian Pacific Railways and the Toronto Terminal Railway Company. As the parties have not reached agreement on a satisfactory cost sharing arrangement, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of Go Transit services.

4. Progress payments on rail equipment

Progress payments represent disbursements for sixty-four undelivered bi-level commuter coaches under construction by Hawker Siddeley Canada Ltd. and six undelivered locomotives under construction by General Motors of Canada Limited.

5. Commitments

The nature and cost of commitments undertaken by the Authority are outlined below:

Contract for the construction of sixty-four bi-level commuter coaches as mentioned in Note 4, net of progress payments made to March 31, 1978	\$ 8,500
Memorandum of understanding for improvements to the railway right of way on the Richmond Hill corridor, net of payments made to March 31, 1978	400
Station redevelopment costs, net of payments made to March 31, 1978	100
Memorandum of intent to lease proposed bus terminal facilities at Yorkdale Shopping Centre for a period of fifteen years at an annual rent of \$345	5,200
Agreement to purchase land in the Borough of Etobicoke for the site of the rail maintenance facilities, net of deposit	1,800
Contract for the construction of six locomotives as mentioned in Note 4, net of progress payments made to March 31, 1978	1,400
Memorandum of understanding for improvements to the railway right of way on the Streetsville/Milton corridor, net of payments made to March 31, 1978	32,900
Estimates of other costs associated with improvements to the Streetsville/Milton corridor	9,300
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3, net of payments made to March 31, 1978	11,500
	<u>\$71,100</u>

6. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	Temporary agreement remaining in force until new agreement is signed (Note 7)
Gray Coach Lines	January 1, 1976 to December 31, 1978.
Travelways Maple Leaf Limited	May 1, 1977 to April 30, 1978.
Toronto Terminal Railway	April 20, 1976 to April 30, 1997.

In response to these outside parties committing some of their resources to provide these services, the Authority has agreed to provide additional resources to some of these parties in the event that their facilities become inadequate to meet their normal demands.

7. Agreement with Canadian National Railway

The Authority is negotiating a new agreement with the Canadian National Railway to replace the original agreement which expired on May 22, 1977. The Authority has included in these financial statements, those amounts which it believes it will be required to pay based upon the negotiations which have been held to date.

8. Comparative figures

Certain comparative amounts were reclassified to conform with 1978 presentation.

Summary of Sundry Revenue

	1978	1977
Equipment Rentals	18	112
Bus Parcel Express	344	328
Interest Income	3	22
Advertising Revenue	82	90
Miscellaneous Income	14	21
	<u>461</u>	<u>573</u>

(\$'000's)



Objectives

The Toronto Area Transit Operating Authority Act, 1974, established the Authority as an Agency of the Crown:

To design and operate inter-regional transit for people whose travel takes them through more than one regional municipality;

To encourage convenient and efficient meshing of the several transit systems operating in the Toronto-centred area;

And to serve as an information clearing house and resource centre for municipal transit systems in the area.

GO Transit

The Authority operates all the commuter services of Government of Ontario Transit.

Area of Jurisdiction

The Authority is, for practical purposes, a voluntary association of the regional municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto, and the Province of Ontario.

Membership

The Authority is composed of seven members: the chairman, appointed by the Lieutenant Governor in Council; and the chairmen of the regional councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

A.T.C. McNAB
Chairman and Chief Executive Officer

P.V. GODFREY
Chairman, Metropolitan Council of The Municipality of Metropolitan Toronto

L.H. PARSONS
Chairman, Regional Council of The Regional Municipality of Peel

G.E. WRIGHT
Chairman, Regional Council of The Regional Municipality of York

Mrs. A.H. JONES
Chairman, Regional Council of The Regional Municipality of Hamilton-Wentworth

R.B. MORROW
Chairman, Regional Council of The Regional Municipality of Halton

J.W. BEATH
Chairman, Regional Council of The Regional Municipality of Durham

Officers

A.F. LEACH
Managing Director and Secretary

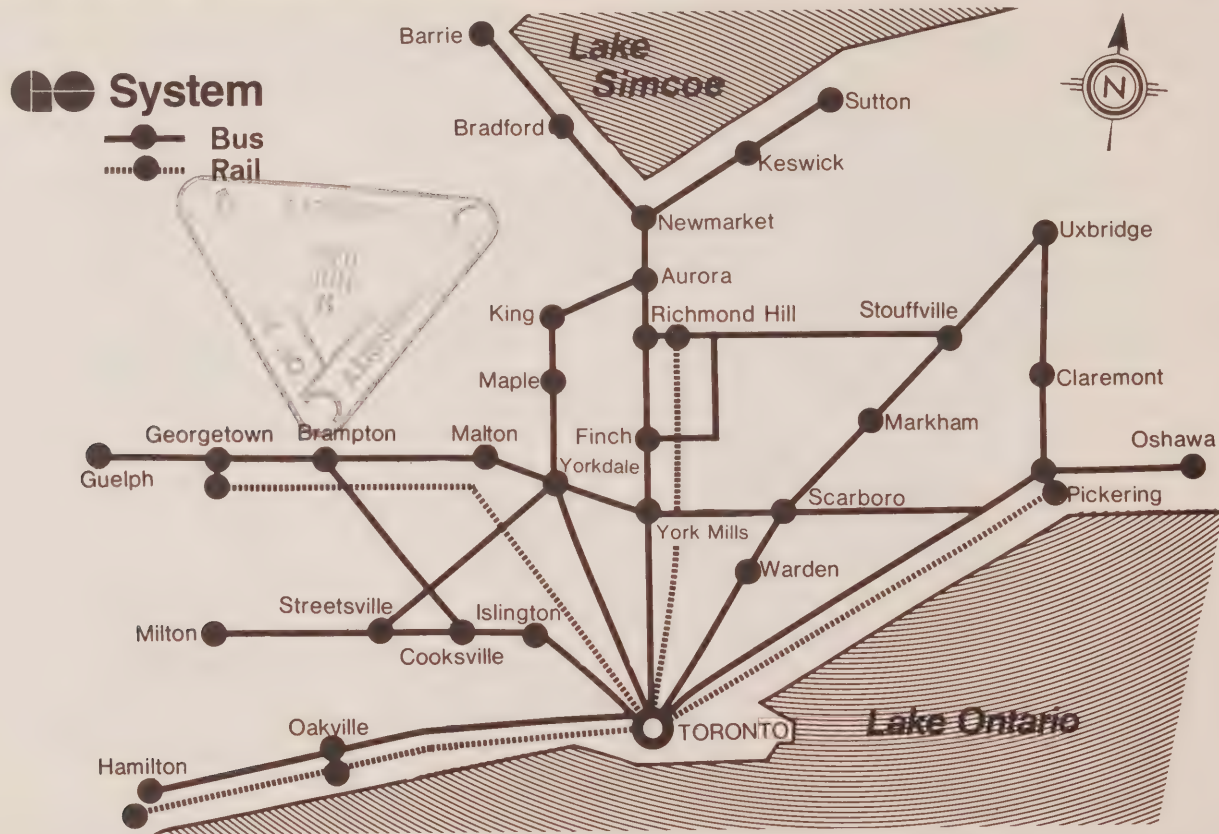
J.M. BURWELL
Director of Finance and Administration and Treasurer

D.A. SUTHERLAND
Director of Operations

R.A. RULE
Director of Special Projects

Minister

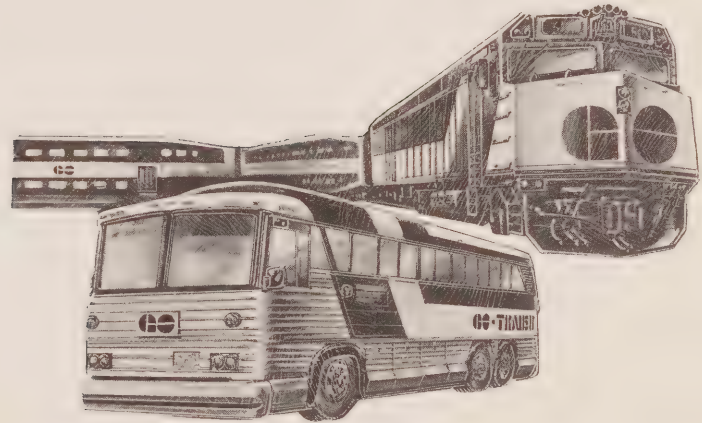
The Honourable JAMES W. SNOW
Minister of Transportation and Communications



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 Toronto Area Transit Operating Authority



Annual Report

For the year ended March 31, 1979

 Government of Ontario Transit





Toronto Area Transit Operating Authority

3625 Dufferin Street
Downsview, Ontario
M3K 1Z2
Telex 06-524145
MTC Toronto

14 September, 1979.

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Sir:

It is my pleasure, on behalf of the Members
of the Authority, to present the 1978-79 annual
report of the Toronto Area Transit Operating
Authority.

Respectfully submitted,

A.T.C. McNab,
Chairman and
Chief Executive Officer.

Government
of Ontario
Transit

Chairman
A.T.C. McNAB
Vice Chairman
MRS A.V. JONES
Regional Municipality of
Halton

R.F. BEAN
Regional Municipality of Peel
J.W. BEATH
Regional Municipality of Durham

B. FORSHAN
Regional Municipality of York
P.V. GOODEY
Municipality of Metropolitan Toronto

J.W. RAFFIS
Regional Municipality of Halton
Managing Director
A.F. LEACH



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416/965-2101

September 14, 1979

The Honourable Pauline M. McGibbon,
O.C., B.A., L.L.D., D.U., B.A.A.,
Lieutenant Governor of the Province
of Ontario,
Legislative Building,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour:

I have the privilege of presenting for the information
of Your Honour the report of the activities of the
Toronto Area Transit Operating Authority for the
year ending March 31, 1979.

Respectfully submitted,

James Snow,
Minister.

Chairman's Summary

The transit business generally was not buoyant in 1978. The steady growth in population and travel demand of the past decade had just about levelled out. Cost pressures forced fare increases which, in turn, inhibited demand from the social traveller. Financial constraints seriously restricted the introduction of new services and GO, like most transit properties, experienced a slowing of its growth rate.

At the same time, pressures were growing which eventually, perhaps in the next year or two, will force a very significant shift in demand from the private car to public transportation. Higher prices for gasoline, the threat of actual fuel shortages, increased cost for parking in downtown cores — these are very real and present facts of life. Yet the North American public has failed to face up to the facts. When the demand manifests itself it may be almost overwhelming.

The Authority thus was faced with contradictory pressures: on the one hand, to curtail costs, and hence services where the existing demand was marginal; on the other, to build against the expected demands of the early 1980s.

GO Buses operating into downtown Toronto were curtailed wherever a good alternative was provided by the TTC subway or by GO rail services.

By year end, the service operated by GO Buses between the Town of Markham and the Yonge Street subway in north Metro Toronto was taken over by Markham Transit. In all cases, equipment released through elimination of duplicated services was immediately absorbed into revenue service on expanding routes elsewhere in the system.

New capacity came on stream with the April launch of the Richmond Hill to Toronto rail service. Patronage grew steadily to the projected level of 1,000 passengers each direction each weekday. The line is capable of handling twice that number in relief of the expected new heavy demand on the Yonge Street subway during rush hours.

Our major new capacity will be the Streetsville/Milton GO Train service, scheduled for introduction in 1981. This service, which is planned initially as a commuter service in the peak work-trip periods, will have the capacity to serve some 10,000 passengers in each direction.

Transit operations during the year, including the new Richmond Hill train and the cancellation of Markham-Finch bus service, showed a 6.4 per cent increase in patronage over 1977. Rail services in total were up 12.2 per cent while bus carryings were down 1.9 per cent due to the cancelled service and a shift by bus passengers to the Richmond Hill train.

In 1977 a new responsibility was assigned to the Authority by the Province. This was for the provision and operation of bus terminals which serve both transit and inter-city buses. Bus terminals have become the orphan in the transportation industry: falling revenues resulted in neglect of maintenance and modernization, until many terminals verged on the disgraceful; and there was no clear-cut consensus concerning responsibility for their operation.

The Province has accepted this responsibility at terminals where the principal users of the facility are subsidized inter-regional carriers.

The first of such will be the new Yorkdale bus terminal. Work was begun on this structure in October, 1978, and the terminal should be operational by the fall of 1979.

Other terminal operations will be assumed by the Authority at Hamilton and Oshawa.

Ground was broken for the construction of two new GO maintenance facilities: a bus garage in Downsview and a rail maintenance shop in Etobicoke. The garage will transfer bus maintenance from downtown to north Toronto, which increasingly is becoming the principal hub of GO Bus services.

The Willowbrook shop in Etobicoke will centralize the maintenance of all GO rail rolling stock and is uniquely adapted to the servicing

of the out-size bi-level cars. It has the capacity to handle the expanded fleet which will be in service with the launch of the Streetsville/Milton commuter rail line.

Both facilities should be operational in 1979.

Progress continued on the expansion and rebuilding of station facilities along the Lakeshore GO Train corridor. New station buildings were erected at the Scarborough and Long Branch stations and property was acquired in Burlington for the relocation of the Burlington GO station. First contracts were also awarded for the development of the new passenger concourse adjacent to Union Station.

The Authority welcomed two new Members during the year: Chairman Bob Forhan, York Region, and Chairman Jack Raftis, Halton Region. I would express my appreciation to all Members for their very positive and active participation in the direction of the Authority's affairs.



A.T.C. McNAB
Chairman and
Chief Executive Officer

Managing Director's Report

AREA CO-ORDINATION

Corridor Rationalization

Rationalization studies were undertaken in two corridors in the Authority's area of jurisdiction: Toronto/Oshawa/Bowmanville and Hamilton/Burlington/Oakville.

Implementation of the recommendations for the Toronto/Oshawa/Bowmanville study will occur in the fall of 1979; implementation of the majority of the Hamilton/Burlington/Oakville recommendations, including a bus link between Hamilton and Burlington via the Skyway and/or Beach Boulevard, is expected to take place in early 1980.

By year end, a study was launched in the Hamilton/Toronto Lakeshore corridor to look at rationalization of GO Bus service along Highway 2 (Lakeshore Road) between the City of Burlington and Metro Toronto. This is expected to be finished in the fall of 1979.

All these studies generally had three common objectives: identifying deficiencies and duplications, determining the potential for rationalization or integration of the identified services and minimizing the need for tax subsidies by fitting level of service to demand — resulting in substantial improvements in service and overall GO system efficiency.

Fare Integration

Designed to encourage using local buses to get to and from the GO Train station, the Brampton fare integration project was set to begin in October, 1978, but had to be postponed because of a four-month Brampton Transit strike. The six-month demonstration was since rescheduled to start on October 1, 1979.

The project will offer commuters an incentive to leave their car at home by giving them a discount on the local bus ride to and from the GO station. For a single fare, commuters will be able to travel by Brampton Transit to either Bramalea or Brampton station and take the GO Train downtown, and vice versa.

Besides fare integration, there is an ongoing effort to co-ordinate GO operations with municipal transit systems to make it easy for people to use public transit, thus helping reduce traffic congestion on local streets and in GO parking lots. A prime example is the exclusive bus loops, providing access for buses only, being incorporated into several new station buildings under the Authority's redevelopment program.

DEVELOPMENT

Streetsville/Milton GO Train

Commuter rail service between Toronto and a number of Peel and Halton communities came closer to reality with Management Board approval of the project and some upgrading of the 52-kilometre line.

To consist initially of three, then five, weekday rush-hour trains in each direction, the Streetsville/Milton GO Train service is scheduled to become operational in the fall of 1981.

The corridor will have seven stations — Milton, Meadowvale, Streetsville, Erindale, Cooksville, Dixie and Kipling — with Union Station the terminal point in Toronto. The Dixie site was bought in 1977 and negotiations continued for acquisition of the others.

Funded entirely by the Province of Ontario, the service will be operated for the Authority by CP Rail.

Toronto Transportation Terminal

In April, the Authority and the Toronto Terminals Railway Company signed an agreement which enabled the long-awaited reconstruction of GO Transit's facilities in Union Station to begin.

During the year, contracts totalling \$6.7 million were awarded for the \$10-million project and by year end a substantial portion of the platform

reconstruction and the new GO concourse had been completed, ensuring the opening of the facilities as planned in the summer of 1979.

The new 80,000-square-foot concourse, located in the former postal terminal next to Union Station, is needed to ease overcrowding and cope with the growth expected in GO Train services.

It will have waiting space with carpeting, air-conditioning and an electronic information system to keep passengers up to date on service status. Access will be improved, with a new Bay Street entrance and a shorter direct connection with the TTC subway. The number of tracks for GO use will be doubled to four, the platforms raised for easier boarding and the existing four stairways between platforms and concourse increased to 13.

These improvements are part of the overall Toronto Transportation Terminal project — or T3 — which will upgrade the station's outdated and overburdened western rail approaches as well.

Agreement on the concept for the latter was reached with CP Rail and Canadian National during the year and design for track and signal redevelopment proceeded parallel with construction agreement negotiations. Work on this phase of the project is expected to start in late 1979 and be finished in time for GO Train service to Streetsville and Milton.

Willowbrook Rail Maintenance Facility

Construction of a \$17-million maintenance and storage facility for GO rail rolling stock began on September 1 at the Willowbrook yard in Etobicoke.

Sixteen contracts totalling \$11.3 million, excluding consultants' fees and equipment costs, were awarded for the work during the fiscal year.

Scheduled for initial occupancy in late fall, 1979, the facility is being built immediately west of the present depot on the CN main line between Kipling Avenue and Royal York Road; it will include a servicing yard, coach and locomotive repair shop, run-around, train wash, coach storage, material storage, new fuelling system, crew centre and employee parking lot. The maintenance will be performed as at present under contract by CN.

Capacity at the existing facility has been strained to its limits by the rail system's substantial growth in recent years, especially since the addition of the 80 new Hawker Siddeley bi-level cars and six new locomotives to the fleet.

Steepprock Bus Garage

Work began in September on the Authority's first bus garage of its own, an 83,000-square-foot structure which will house the operational nerve centre and vehicle maintenance for the GO Bus network under one roof.

The \$5-million facility, scheduled for completion by September, 1979, will serve the entire GO-owned fleet of 142 buses, which are maintained now by the operators, Gray Coach Lines and Travelways. It will also maintain all GO support vehicles such as tractors, snowblowers, lawn mowers and emergency trucks.

The garage is being built on 7.4 acres on Steepprock Drive in Downsview just north of the Canadian Forces base; the site was chosen for its proximity to the hub of the GO Bus system, which, reflecting Authority policy, has shifted from downtown Toronto to the Yorkdale, York Mills and Yonge-Finch areas of north Metro.

The garage will provide storage for 40 buses indoors, with expansion capability for 100, and up to 40 outside. The building will be automatically monitored for carbon monoxide emissions and will contain repair bays, fuelling bays, degreasing area, body repair shop, stockroom, brake overhaul area, automatic wash rack, chassis dynamometer, offices, drivers' area and the GO Bus operations centre.

The latter was put in the same location as the maintenance operation to increase flexibility and efficiency as the functions are now physically and geographically split.

It will look after all dispatching and, under outfitting scheduled to begin in the fall of 1979, will be in UHF radio contact with the entire fleet by the spring of 1980. (Over 20 per cent of the fleet has been radio-equipped in test programs undertaken in previous fiscal years.)

Yorkdale Bus Terminal

Construction of a GO Bus terminal at Yorkdale Shopping Centre commenced in early September and an agreement for its lease was signed in the third quarter by the Authority and Trizec Equities Limited, the mall's owner.



The terminal will occupy the lower two levels of a seven-storey structure that Trizec is building as part of an office complex of three buildings which will eventually connect the mall with the Spadina subway line's Yorkdale station.

Yorkdale was chosen for the site because of its excellent access to the subway, the Allen expressway and Highway 401 nearby; it is the focal point of numerous GO Bus routes from the north, east, west and northwest and is linked to Toronto International Airport by GO and Gray Coach services. Accordingly, the terminal has been designed to accommodate inter-city carriers as well as GO Transit.

The new facility will provide complete cover for passengers and will replace the temporary shelter and boarding area serving the stop since January, 1978.

It will have ticketing and waiting areas and 13 bus platforms on the lower level, which will be linked to the upper concourse by escalator. The upper level will have a waiting area and facilities for bus parcel express and ticket sales and will be connected to the subway by a covered walkway.

The terminal is expected to be operational in early September, 1979.

Hamilton Bus Terminal

Empowered by the Province to assume responsibility of inter-regional bus terminals, the Authority began looking into the possibility of building a new terminal for the Hamilton-Wentworth Region.

The existing one at John and Rebecca Streets, owned by Gray Coach Lines and built in 1955, was becoming inadequate for GO Transit use and the Authority began negotiating its takeover and planning a new facility in downtown Hamilton.

A long-term lease agreement with a private developer was considered, an approach which subscribed to the philosophy of combining a transportation terminal with commercial development on the same site for mutual benefit. (This concept had already been applied to the Yorkdale terminal being built in north Metro Toronto.)

The Authority advertised for proposals in February, received suggestions for 15 sites from various developers and began paring them for final selection later in 1979.

York Region Terminal

This busy subway interface terminal in north Metro Toronto is operating at capacity and growing demand will mean increased bus traffic, including those operated by Markham Transit and York University.

Expansion is needed and by year end land requirement appraisal had been completed and construction rescheduled for 1980-81. Improved access to the adjacent Finch subway station was also being studied in conjunction with the TTC.

Newmarket Bus Terminal

Hub of GO's bus operations in the busy north Yonge corridor, the Newmarket bus terminal requires redevelopment to accommodate expanding patronage and vehicle servicing.

Operational design for the ultimate facility was substantially completed by year end and negotiations for property acquisition got under way.

Meanwhile, major repairs will be made in the fall of 1979 to extend the useful life of the existing terminal (located at the junction of Highways 9 and 11) until funds become available for expansion.

Rail Station Redevelopment

It was a busy year for redevelopment of GO rail stations, with numerous projects begun the previous year being finished and major schemes being initiated for Pickering, Oakville and Burlington.

Reconstruction was substantially complete at Scarborough, Long Branch, Port Credit and Georgetown and finishing touches were made

at Eglinton, Clarkson, Rouge Hill and Guildwood stations. Brampton's parking expansion requirements were studied and plans proceeded for improving access and expanding the parking at Bramalea by 200 spaces in late summer, 1979. The Authority also went ahead with plans to erect a Bailey bridge at Oriole to allow pedestrians to cross the tracks safely from Woodsworth Avenue to Leslie Street to get to the GO station, TTC services and North York General Hospital.

Pickering's reconstruction got the green light after the Authority received the long-awaited results of a CN track study and Region of Durham traffic study affecting the station area. Expropriation proceedings were launched for the property needed for parking expansion by 400 spaces and redevelopment, which include a new station building, improved access and improved bus facilities as well, was scheduled for August to December, 1979.

Plans for the redevelopment of Oakville station to keep pace with rapid growth in the south Halton area also started during the year. Design and property negotiations began for first-stage expansion of the parking lot by 250 spaces, scheduled to start in late 1979, and for construction of a new station building and improved bus interface and kiss 'n' ride areas.

In Burlington, property on Fairview Street between Brant Street and Guelph Line was acquired in September for a new GO station to

replace the obsolete CN station on Brant. A station building, 530-space parking lot and bus loop will be built between August and December, 1979, at the same time as CN work on a rail platform and pedestrian underpass. The new station will be used for existing rush-hour GO Train service and for full-day bus operation,

with all GO Buses rerouted there from the present Guelph Line terminal. As part of the upgrading of rail facilities for Burlington, the Authority also proceeded with negotiations for land on Harvester Road for development of an Appleby Line station when required.



Yorkdale bus terminal under construction.

OPERATION

Patronage

Ridership grew substantially in 1978-79 but not as dramatically as in recent years.

Combined bus and rail carryings increased by 1.1 million passengers over last year, or 6.4 per cent, with the Lakeshore East, Northwest and North corridors registering healthy increases of 8, 9.3 and 9.2 per cent respectively.

Most of the growth was in the rail system, which expanded with the addition of the Richmond Hill line and carried 1.2 million passengers more than last year, a 12.2 per cent increase.

Bus ridership experienced a slight overall decrease but two major factors were responsible: the drastic reduction of service in the Northeast corridor when GO Bus operation was discontinued between Markham and Finch subway station at the end of the last fiscal year and the swing in passenger use from bus to the Richmond Hill GO Train in the North corridor.

Bus carryings continued to grow, however, in the Northwest and Lakeshore East corridors, the former undergoing a major revamping during the year (see Guelph-Oshawa Bus Corridor).

The busiest period was August-September, first during the CNE when GO's Exhibition ridership reached a new high, then during the four-day TTC strike when commuters flocked to the GO Trains, more than doubling the rail system's normal daily load of 35,000 passengers.

Passenger Statistics (Thousands)

Corridor	Bus	Rail	Total	1977-78
Lakeshore East	1189	3689	4878	4517
Lakeshore West	2026	6041	8067	7713
Northwest	941	1145	2086	1909
North	2614	397	3011	2757
Northeast	105	—	105	152
Total trips	6875	11,272	18,147	17,048

Kilometres Operated

Corridor	1978-79		1977-78	
	Rail	Bus	Rail	Bus
Lakeshore East	560,652	1,573,606	560,652	1,483,115
Lakeshore West	618,652	3,186,876	618,652	3,363,191
Northwest	109,554	2,013,442	109,554	1,779,337
North	48,984	2,527,244	—	2,255,807
Northeast	—	468,346	—	1,011,527
Total	1,337,842	9,769,514	1,288,858	9,892,977

Route Kilometres Operated

Bus

	Lakeshore East	Lakeshore West	North West	North	North East	All Corridors
At April 1, 1978	188	177	323	362	182	1232
Added (deleted) during year	7	—	28	—	(34)	1
At March 31, 1979	195	177	351	362	148	1233

Rail

At April 1, 1978	34	63	47	—	—	144
Added during year	—	—	—	34	—	34
At March 31, 1979	34	63	47	34	—	178
Total route kilometres operated at March 31, 1979	229	240	398	396	148	1411

Richmond Hill GO Train

Sunny spring weather greeted the crowd of 5,000 that turned out on April 29 for the grand opening of the commuter rail line between Richmond Hill and Toronto Union Station.

Regular service comprising three trains in each direction every weekday began the following Monday, May 1, on the 34-kilometre run, with stops at Langstaff, Old Cummer and Oriole.

Introduced to keep pace with growth in GO's North corridor, the service reached its projected ridership level by the end of the fiscal year 10 months later. Average weekday ridership grew from 740 during the first week of operation (600 the first day) to 1,925 by March 31, 1979.

Capable of handling much more, the service was extremely popular during the TTC strike from September 11 to 14, when GO Trains were the only means of public transit available within Metro Toronto; ridership on the line burgeoned and peaked at 9,000 passengers on the last day of the strike.

Growth also accounted for expansion at the Langstaff station where parking capacity was increased in December from 90 to 140 spaces.

Service for Special Events

GO Transit continued to provide service for special events in the downtown Toronto area, attempting to anticipate demand and tailor capacity accordingly.

As usual, Exhibition Place and Ontario Place were by far the largest drawing cards, with their concerts, Argonaut football games, Blue Jay baseball games and the Canadian National Exhibition.

A new ridership record was set at the 1978 CNE, which was celebrating its 100th year. By the time the 20-day show ended, 867,092 passenger trips had been recorded at Exhibition station, eclipsing the previous high of 683,000 set the year before. GO's percentage of the gate was also up, with GO passengers accounting for 12.2 per cent of the CNE attendance, compared with 9.6 per cent in 1977.

Daily records were also set. On Saturday, September 2, 75,094 passenger trips were handled at Exhibition station, almost 25,000 more than the previous mark. And on the day before, a weekday, GO chalked up 57,168

passenger trips at the Ex—combined with the normal weekday traffic of about 35,000 on the rail system, this resulted in more than 92,000 trips for the day, by far the busiest ever for GO.

The bi-level cars, introduced into service in March, 1978, got their first real test during the Ex and performed beyond anyone's expectations, handling huge crowds efficiently and contributing to the best CNE service record for GO Transit.

Guelph-Oshawa Bus Corridor

A major revamping of the Guelph-Georgetown-Brampton-Toronto GO Bus corridor to improve service by tailoring it to demand took effect with the regular end-of-October timetable revisions.

In operation for 2½ years, the corridor was restructured to eliminate duplications, reduce

costly operation in downtown Toronto and consolidate and expand service for Brampton-Bramalea and Georgetown.

The result was a blend of the existing two routes, Toronto-Guelph and Georgetown-York Mills, into one basic trunk line between Georgetown-Brampton-Bramalea and the subway at Yorkdale and York Mills, with extensions west to Guelph and east to Oshawa.

Concentrating on the most populous part of the corridor, this streamlining enabled GO to increase service where it was needed most and by year's end ridership had grown by almost 10 per cent.

Service between Brampton-Bramalea and Yorkdale-York Mills was increased by almost 50 per cent and service between Brampton and the Islington subway station was revised to cut the number of trips operating through to downtown Toronto. (In keeping with GO policy, revamping emphasized connecting with the TTC on the Metro Toronto periphery.) Georgetown service in general was improved with consolidation of the two former routes into a uniform pattern between Brampton and Georgetown; service for west Georgetown more than doubled with the terminating of all York Mills-Georgetown trips at Moore Park Plaza.

With extension of the basic trunk line to Oshawa and Guelph, an off-peak GO Bus link, without transfer, was created between these two communities; through travel had been technically possible but impractical previously.



Also, in December, the GO-Gray Coach airport agreement was amended to allow travel along the corridor between Toronto International Airport and Scarborough Town Centre or points east. Plans proceeded for further amendment under the April, 1979, timetable changes, allowing GO Bus travel between the airport and any point in the corridor.

Bus Equipment

No additions were made to the GO Bus fleet of 142 during the year while efforts were concentrated on providing a modern maintenance and storage facility (see Steeprock Bus Garage).

However, the overhaul program begun in 1977-78 continued at the scheduled rate of 10 vehicles a year, beginning with the older buses. The refurbishing includes painting and the renovating of both interiors and exteriors.

Bi-levels

The radically new bi-level rail cars, introduced into service on the Lakeshore at the end of the previous fiscal year, were phased in during 1978-79.

By year end, the Authority had accepted 79 of the 80 cars ordered from Hawker Siddeley of Canada Ltd. Sixty-eight were in full service by then, with bi-level configurations on all but one Lakeshore rush-hour trip and with two North-west trains consisting of four bi-levels and a single-level cab car each.

The bi-levels, whose unique features were detailed in the last annual report, underwent their first real test — and took the crunch extremely well — during the CNE and the Toronto Transit Commission strike shortly afterwards. The distinctive green-and-white cars with their bright and comfortable interiors have been received enthusiastically by the public and the transit industry alike.

Locomotives

The Authority took delivery of six new F40PH 3000-horsepower commuter diesel locomotives from General Motors of Canada, bringing the fleet total to 25 of various design and vintage.

It also embarked on a revenue-generating program leasing surplus locomotives on weekends only to CP Rail. In its first five months since starting on October 27, the program produced \$142,743 in revenue in 162,658 kilometres of CP service.

Because of the success to date and the revenue potential, the Authority planned to continue using the program to offset operating costs.

Rail Car Lease

The Authority signed an agreement leasing 60 spare single-level rail cars to the Massachusetts Bay Transportation Authority, Boston, for one year until September 30, 1979, with options to renew for two more years.

The cars, including nine self-propelled units, became surplus when the bi-levels went into service and will return to GO use when the Streetsville/Milton line is launched in 1981. The self-propelled units will be converted into locomotive-hauled cab control cars at MBTA's expense and will be available for later use by GO Transit.

The cars were delivered to Boston from November to April.

Fuel Conservation

Conscious of the need for energy conservation, the Authority embarked on a fuel economy program on an informal basis in the operation of its locomotives.

In warm weather, locomotives were shut down whenever possible to save fuel — usually when they were not required for service for at least four hours or did not have to be moved during layover. Although not specifically logged, the program realized reasonable savings and the Authority proceeded with plans to implement a structured program of both hydro and diesel fuel conservation in the next fiscal year.

CN Operating Agreement

After a year and a half of intensive negotiations, the Authority renewed its rail operating agreement with Canadian National for another 10 years, effective June 1, 1977. The new agreement was signed in October, 1978.

Fare Increase

A fare increase necessitated by continually rising costs and operating charges took effect on April 1.

Detailed in the last annual report, the increase, averaging 17 per cent, was the third in as many years and was designed to bring fare revenues closer to the target of 65 per cent of operating costs set by the Government. Under Authority policy, the contribution of fare revenues to operating costs is reviewed annually to keep pace with cost increases such as for fuel, materials and labour.

The April fare adjustment featured an increase in the discount for monthly passes and a decrease in the discount on 10-ride ticket books to help convert more passengers to using the former (a success as monthly pass sales have increased substantially since); a 35-cent premium on fares on trips between the Newmarket corridor and downtown Toronto; and a family pass allowing unlimited day-of-issue travel at virtually half-fare for family groups.

Maintenance

Thirty new passenger shelters of glass and aluminum were installed from December to February along GO Bus routes in Markham, Aurora, Richmond Hill, Metropolitan Toronto, Georgetown, Bramalea, Meadowvale and Oakville. Fully-enclosed four-by-12-foot structures, the shelters were erected under contract for \$22,000, including purchase price.

Twelve of these were installed in the north Yonge corridor where maintenance is being done by the ARC Industries adult rehabilitation centre of Richmond Hill. The Authority had renewed its agreement with ARC for a second year at a cost of \$21,600 and again found the cleaning, washing and salting done by ARC crews to be faultless. ARC management was also pleased with the program, especially the therapeutic aspect.

Snow removal cost \$420,000, up \$40,000 from the last fiscal year because of increased costs, expanded parking facilities and the addition of the four-station Richmond Hill rail line.

A larger system and expanded facilities notwithstanding, vandalism on the GO network decreased for the second successive year. Damage from reported incidents totalled \$4,350 this fiscal year, compared with \$5,200 the year before and \$6,652 in 1976-77; the largest single loss was \$1,400 incurred when Guildwood rail station was broken into on December 3.

TeleGO

Design got under way on a computer-based passenger information system, named TeleGO, for the Lakeshore rail corridor.

The electronic system will monitor the exact location of GO Trains continuously and, through the data collected, will also advise passengers at each station of the predicted arrival time of the next train. This information will be displayed on signs in parking lots and station buildings and on rail and bus platforms.

Initially, the Authority will test the system at one station—Clarkson. Expected to be operational before the end of 1979, this first installation will be monitored closely and, if results and passenger benefits are satisfactory, the system will be extended to other stations in the Lakeshore corridor.



A.F. LEACH
Managing Director
and Secretary

Auditors' Report

To the Members of the Toronto Area
Transit Operating Authority and
the Minister of Transportation
and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1979 and the statements of operations, equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1979 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink that reads "Touche Ross & Co." in a cursive, flowing script.

Toronto, Ontario
August 15, 1979

Touche Ross & Co.
Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 1979

(In thousands of dollars)

Assets

Current	1979	1978
Cash	\$ 2,679	\$ 52
Accounts receivable	215	35
Due from the Province of Ontario	7,452	3,393
Spare parts and supplies	1,720	1,241
Prepaid expenses	<u>66</u>	<u>49</u>
	<u>12,132</u>	<u>4,770</u>
 Fixed		
Land	13,680	8,702
Buildings and equipment (Note 2)	87,397	52,766
Improvements to railway right of way and railway plant, net of accumulated amortization of \$1,038 (1978-\$389)	11,443	10,412
Construction in progress		
Toronto Transportation Terminal Project	11,739	5,082
Other	7,707	6,846
Progress payments on rail equipment	<u>543</u>	<u>26,060</u>
	<u>132,509</u>	<u>109,868</u>
	<u>\$144,641</u>	<u>\$114,638</u>

Liabilities

Current	1979	1978
Accounts payable and accrued liabilities	\$ 10,279	\$ 3,342
Unearned revenue in respect of tickets sold and not used	<u>134</u>	<u>475</u>
	10,413	3,817

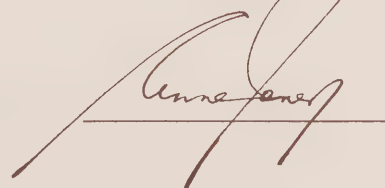
Equity

Province of Ontario	134,228	110,821
	<u>\$144,641</u>	<u>\$114,638</u>

On behalf of the Members



Chairman and
Chief Executive Officer



Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1979

(In thousands of dollars)

	1979	1978
Equity at beginning of year	\$110,821	\$ 72,093
Capital contribution from the Province of Ontario	29,886	43,129
	<u>140,707</u>	<u>115,222</u>
Loss for the year	6,479	4,401
Equity at end of year	<u>\$134,228</u>	<u>\$110,821</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1979

(In thousands of dollars)

Revenue	1979	1978
Commuter services	\$19,779	\$16,334
Other	959	691
	<u>20,738</u>	<u>17,025</u>
Expenses		
Train and bus operations	34,257	28,853
Terminals and plant	10,352	6,113
General and administration	3,410	2,942
	<u>48,019</u>	<u>37,908</u>
Loss from operations	27,281	20,883
Operating subsidy from the Province of Ontario	20,802	16,482
Loss for the year	<u>\$ 6,479</u>	<u>\$ 4,401</u>

**STATEMENT OF CHANGES
IN FINANCIAL POSITION**

FOR THE YEAR ENDED MARCH 31, 1979

(In thousands of dollars)

Source of funds	1979	1978
Capital and operating subsidies from the Province of Ontario	\$50,688	\$59,611
Disposal of fixed assets	53	140
	<u>50,741</u>	<u>59,751</u>
Application of funds		
Operating loss	27,281	20,883
Less items not requiring an outlay of funds		
Depreciation	5,830	3,776
Amortization of improvements to railway right of way and to railway plant	649	235
	<u>20,802</u>	<u>16,872</u>
Capital expenditures on land, buildings and equipment	45,490	11,613
Improvements to railway right of way and to railway plant	1,681	5,195
Progress payments on rail equipment	—	26,060
Construction in progress		
Toronto Transportation Terminal Project	6,657	4,128
Other	5,996	4,344
	<u>80,626</u>	<u>68,212</u>
Less payments made in the previous year	30,651	8,233
	<u>49,975</u>	<u>59,979</u>
Increase (decrease) in working capital	<u>\$ 766</u>	<u>(\$ 228)</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1979

(In thousands of dollars)

1. Summary of significant accounting policies

a. General

Financial statements are prepared on the accrual basis using commercial accounting practices.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following rates on the straight-line basis:

Buildings and equipment	
Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary	
power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%

Improvements to railway	
right of way and to	
railway plant	Varying rates between 5% and 33%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses.

2. Buildings and equipment

	1979		1978	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 3,416	\$ 625	\$ 2,791	\$ 907
Locomotive and auxiliary				
power control units	13,069	2,995	10,074	6,673
Other railway				
rolling stock	72,106	7,716	64,390	34,407
Buses	11,453	3,165	8,288	9,365
Parking lots	1,662	303	1,359	962
Sundry	701	206	495	452
	<u>\$102,407</u>	<u>\$15,010</u>	<u>\$87,397</u>	<u>\$52,766</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railways, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railways	June 1, 1977 to May 31, 1987
Gray Coach Lines	Agreement for period January 1, 1976 to December 31, 1978 remaining in force until new agreement is signed.
Travelways Maple Leaf Limited	Agreement for period May 1, 1978 to April 30, 1979 remaining in force until new agreement is signed.

5. Lease commitments

Long-term leases in effect at March 31, 1979 expire in varying periods from three to eighteen years and require minimum annual rental payments of \$600,000.

6. Capital commitments

The nature and amount of capital commitments undertaken by the Authority are outlined below:

Contract for the purchase of bi-level commuter coaches and various spare parts net of progress payments made to March 31, 1979	\$ 600
Agreement for improvements to the rail right of way on the Streetsville/Milton corridor	33,500
Estimates of other costs associated with the improvements to the Streetsville/Milton corridor	12,500
Contract for the construction of the Downsview bus maintenance facility net of payments made to March 31, 1979	2,300
Contract for the construction of the Willowbrook rail maintenance facility net of payments made to March 31, 1979	14,100
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3, net of payments made to March 31, 1979	34,000
	<u>\$97,000</u>

7. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

Summary of Sundry Revenue

(In thousands of dollars)

	1979	1978
Equipment rentals	\$ 277	\$ 18
Bus parcel express	442	465
Interest income	36	3
Advertising revenue	93	82
Commission income	86	109
Other income	25	14
	<u>\$ 959</u>	<u>\$ 691</u>

Objectives

The Toronto Area Transit Operating Authority Act, 1974, established the Authority as an Agency of the Crown:

To design and operate inter-regional transit for people whose travel takes them through more than one regional municipality;

To encourage convenient and efficient meshing of the several transit systems operating in the Toronto-centred area;

And to serve as an information clearing house and resource centre for municipal transit systems in the area.

GO Transit

The Authority operates all the commuter services of Government of Ontario Transit.

Area of Jurisdiction

The Authority is, for practical purposes, a voluntary association of the regional municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto, and the Province of Ontario.

Membership

The Authority is composed of seven members: the chairman, appointed by the Lieutenant Governor in Council; and the chairmen of the regional councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

A.T.C. McNAB

Chairman and Chief Executive Officer

P.V. GODFREY

Chairman, Metropolitan Council of The Municipality of Metropolitan Toronto

L.H. PARSONS

Chairman, Regional Council of The Regional Municipality of Peel

B. FORHAN

Chairman, Regional Council of The Regional Municipality of York

Mrs. A.H. JONES

Chairman, Regional Council of The Regional Municipality of Hamilton-Wentworth

J.N. RAFTIS

Chairman, Regional Council of The Regional Municipality of Halton

J.W. BEATH

Chairman, Regional Council of The Regional Municipality of Durham

Officers

A. F. LEACH

Managing Director and Secretary

J. M. BURWELL

Director of Finance and Administration and Treasurer

J. A. BROWN

Director of Commuter Operations

D. A. SUTHERLAND

Director of Development and Plant

R. A. RULE

Director of Special Projects

W. T. HOWARD

Executive Director, Toronto Transportation Terminal

Minister

The Honourable JAMES W. SNOW

Minister of Transportation and Communications



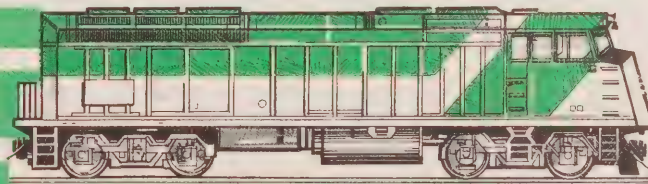
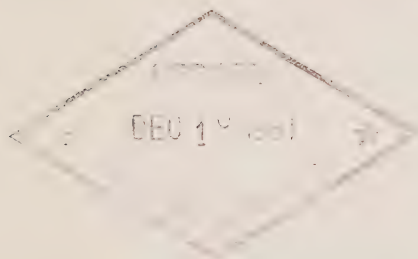
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Toronto Area Transit Operating Authority



Annual Report

For the year ending March 31, 1980



Government of Ontario Transit



Toronto Area Transit Operating Authority

3625 Dufferin Street
Downsview, Ontario
M3K 1Z2
Telex 06-524145
MTC Toronto

July 31, 1980

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Sir:

It is my pleasure, on behalf of the Members
of the Authority, to present the 1979-80 annual
report of the Toronto Area Transit Operating
Authority.

Respectfully submitted,

A.T.C. McNab,
Chairman

Government
of Ontario
Transit

Chairman
A.T.C. McNab
Vice-Chairman
MRS. S.H. JONES
Regional Municipality of
Halton-Wentworth

R.F. BEAN
Regional Municipality of Peel
J.W. BEATH
Regional Municipality of Durham

S. FORBARIAN
Regional Municipality of York
P.V. GODFREY
Municipality of Metropolitan Toronto

J.M. RAFTIS
Regional Municipality of Halton
Managing Director
A.F. LEACH



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416/955-2101

September 24, 1980

The Honourable John Black Aird,
O.C., Q.C., LL.D., B.A.,
Lieutenant Governor of Ontario,
Parliament Building,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour:

I have the privilege of presenting for the information
of Your Honour the report of the activities of the
Toronto Area Transit Operating Authority for the
year ending March 31, 1980.

Respectfully submitted,

James Snow,
Minister.

Chairman's Summary

As this is my final report as Chairman of TATO, I would like to comment on the six-year period 1974 to 1979.

When the Authority assumed responsibility for GO Transit operations in 1974, passenger handlings were running at an annual rate of 10.6 million; in the year covered by this annual report the figure had surpassed 19 million. Rail service expanded on a new corridor, north to Richmond Hill. Interregional bus services were launched in corridors to the northwest (Georgetown), the northeast (Uxbridge) and the west (Milton), and on a new corridor along Highway 401 serving the employment centres in north Metro.

GO Bus services have been increasingly oriented to connections with the Toronto Transit Commission subway lines in an effort to provide increased GO service frequency and capacity and, in general, a better transit service overall. While some patrons have been disappointed to find their trip interrupted with a modal transfer, trip time, if anything, has been reduced. And the release of GO Buses from the downtown core has permitted much higher service frequency to the subway. By 1979 18,000 passengers were transferring daily between the GO Bus and the subway at five TTC stations and between the GO Train and the subway at Union Station.

The six-year growth in patronage has been accommodated through expansion in rolling stock capacity. The bus fleet, 30 GO coaches in 1974, now comprises 160 vehicles. New rail capacity was effected with the substitution of the 162-seat bi-level cars for conventional 94-seat single-levels on selected commuter trips. GO presided over the development of this highly successful, Ontario-built commuter rail coach and we take pride in the accomplishment. Eighty of the units are now in service.

A new rail corridor has been approved by the Province, linking Milton and Mississauga with Union Station. The Authority has completed detailed planning for the service and commissioned the necessary upgrading of CP's railway right-of-way and signal plant; land for stations and parking facilities has been acquired and construction is scheduled for completion in 1981 when service is to be inaugurated.

GO Transit operations in 1974 were handled almost entirely under contract with CN, Gray Coach and Travelways on what was essentially a cost-plus arrangement; these operations included ticket sales and fleet maintenance. This proved quite satisfactory in most respects but left the Authority without full control of costs and service delivery. It also precluded full and efficient integration of these services when

more than one contractor was involved, as with Gray Coach, Travelways, Charterways and possibly others in bus operations, and with CN and CP on the rail side. Accordingly, the Authority determined to take over more direct responsibility. A new rail maintenance facility was required to handle GO's expanding rolling stock, including the bi-levels. GO built and owns the new \$17-million complex which became operational in 1980; work is carried out by CN under contract and to GO requirements. A new bus garage has been constructed in Downsview where maintenance is done by Authority personnel. Ticket sales and sales agency supervision will also be handled directly by GO.

A new responsibility was accepted by the Authority in 1978 when the Province asked GO to finance and operate bus terminals which are used principally by subsidized interregional carriers such as GO. The first new terminal developed under the scheme is at Yorkdale Shopping Centre in North York where it is linked to the Spadina subway line. Other terminals operated by GO are at Newmarket, Oshawa and Hamilton as well as the York Region Terminal adjacent to the Finch subway station.

GO's expansion of service and new responsibilities, particularly in the matter of bus

maintenance and ticket sales, have necessitated a substantial increase in staff. As we moved from a role concerned principally with administration to one which sees us more directly involved in operations, staff complement has grown in the six years from 35 to 300 employees. The staff growth was marked with parallel reductions in man-hour requirements at CN and Gray Coach.

A major activity during the six years has been the planning and redevelopment of the Toronto Transportation Terminal. As Authority Chairman, I was named in 1975 to head up a task force on this project to study requirements and recommend the facilities required in the Toronto core. I later chaired an implementation group to carry out the recommendations of that task force. Stage one of the implementation is virtually complete with the opening in 1979 of a new GO commuter rail station in the building adjoining Toronto Union Station; this project includes the provision of extra tracks and platforms for use by GO Trains and the installation of stairways and escalators between the concourse and the track level. Stage two will improve the rail approaches to the station and eliminate the rail traffic bottleneck at Bathurst Street by separating the grade levels of intersecting tracks.

Of considerable satisfaction has been the performance of staff at the Authority; in a period of disruptive expansion, complicated by escalating costs and financial restrictions, a high quality of service to the public has been maintained and multiple planning and construction programmes successfully carried out. I would acknowledge, too, the dedicated service supplied by the contractors, CN, Gray Coach and Travelways. And I would repeat my thanks to the Authority Members for their constructive participation in policy development and direction.



A.T.C. McNab
Chairman

Managing Director's Report

Corridor Rationalization

Bowmanville became the most easterly point in the GO Transit network in December when GO assumed responsibility of Charterways' Whitby-Oshawa-Bowmanville route, as recommended by the Toronto-Oshawa-Bowmanville corridor rationalization study completed in 1978. (See Bowmanville GO Bus in Operation section of this report for details of service.)

The recommendations of the Hamilton-Toronto Lakeshore corridor study, completed at year end, will be implemented in stages: in the western portion of the corridor, this will be done in conjunction with the recommendations of the Hamilton-Burlington-Oakville study; in the east, implementation will be in conjunction with the launch of the Streetsville/Milton GO rail line (scheduled for late 1981) and the findings of the Mississauga Transit review of its own system being done in co-operation with GO, the Ministry of Transportation and Communications and the Region of Peel.

Intended to improve service and overall system efficiency, the corridor rationalization studies involved local transit systems and generally had three common objectives: identifying deficiencies and duplications in both GO and local service; determining the potential for rationalizing or integrating the identified services; and minimizing the need for tax subsidies by tailoring service level to demand.

Fare Integration

The Brampton fare integration experiment, postponed by a four-month Brampton Transit strike in 1978-79, began on October 1 for six months and proved so successful that it will be extended for three months on April 1, 1980.

Designed to encourage commuters to leave their cars at home, the experiment allowed passengers to ride both the local bus to or from the GO station and the GO Train to or from downtown Toronto for just the GO fare. The Brampton station fare was used for the trial, in effect giving passengers using that station a free ride on the local bus and Bramalea station passengers a discount off the equivalent regular fare.

By the end of the first month alone, Brampton Transit ridership on its routes serving the Brampton GO station had jumped by 78 per cent, an indication of the experiment's popularity. Continually increasing ridership during the rest of the initial six months prompted the Authority to extend the project and consider expanding it further.

DEVELOPMENT

TeleGO

Development of the computerized TeleGO train monitoring system for the Lakeshore corridor continued in preparation for a test installation at Clarkson GO station.

Designed to improve the quality of information for passengers, TeleGO will monitor continuously the exact location of each GO Train in service in the corridor and transmit service status information to commuters via signs in parking lots and station buildings and on rail platforms.

The system has three components: monitoring equipment on each locomotive (an ALL, or automatic locomotive location, device) which will transmit data by existing two-way radio; a main computer in Union Station which will process the data and calculate train arrival times for each station along the corridor; and a mini-computer in each station which will accept data from the main computer and control that station's information signage.

By year end the Union computer had been installed and programming begun; the signs for Clarkson station were being designed and manufactured; and the ALL device was being developed. The Clarkson testing was expected to begin in the fall of 1980, slightly behind schedule because of the time needed to build the prototype ALL device.



Artist's concept of station on Streetsville / Milton line.

Streetsville/Milton GO Train

Construction began and property acquisition continued on GO's fourth rail line, the Streetsville/Milton commuter service scheduled to begin in the fall of 1981.

CP Rail, which will be operating the service for GO, began ballast and crossing work in the fall to upgrade the 50-kilometre line, which will have seven stations en route to Union Station in Toronto.

During the year property was bought for the Milton, Meadowvale, Erindale and Cookville

stations while planning and design progressed for the Streetsville, Dixie and Kipling stops. The latter will be a GO-TTC joint facility at the terminus of the westerly extension of the Bloor/Danforth subway line.

In conjunction, work continued on the Toronto Transportation Terminal project, a major programme of improvements necessary to accommodate the new line, present demands and projected growth (see Toronto Transportation Terminal).

The new service will consist initially of three weekday rush-hour trains in each direction and will increase to five with ridership demand.

Toronto Transportation Terminal

The \$38-million Toronto Transportation Terminal project continued apace, with the first phase — a \$10-million new GO concourse in Union Station — largely completed and open as scheduled in August. (See Union Station Concourse.)

Funded entirely by the Province, the project — T3 for short — involves upgrading the outdated, overburdened facilities in Union Station and its western rail approaches so that present demands, projected growth and the Streetsville/Milton rail line planned for 1981 can be accommodated.

Design of the \$28-million second phase proceeded during the year and the first work, construction of a GO Train storage facility on the north side of the track corridor near Bathurst Street, was scheduled to begin in April, 1980, and be finished in late fall that year. This 5.7-acre facility — the Bathurst North Yard — will hold seven train consists, eliminating several deadhead equipment moves during the day through the overtaxed Bathurst Street junction.

The rest of this phase will be a general rebuilding of the western approaches, the most visible part of which will be an underpass between Bathurst and Spadina Avenue for the tracks used by GO Trains on the Lakeshore West route; the underpass will separate the GO Trains from other rail traffic as they cross from one side of the corridor to the other to get to and from Union Station.

This part of the project, to begin in the summer of 1980, will take about three years to complete and will ease the traffic congestion causing many delays to GO Trains and precluding any extra train movements through the area during peak periods.

Union Station Concourse

The \$10-million new GO concourse in Union Station opened on schedule on August 2, easing the overcrowding at the downtown Toronto hub of GO's commuter rail operation.

Part of the \$38-million T3 project, the 80,000-square-foot concourse occupies the lower level of the former postal terminal next to the old concourse and was largely complete by the time it officially opened.

It features such amenities as ample, air-conditioned waiting space; improved access to the TTC subway and to street level via a new Bay Street entrance; nine ticket sales and 14 collection points speeding passenger flow; upgraded platforms; an increased number of stairways between concourse and track level; and an electronic information system keeping passengers up to date on service status. The latter is part of the operations control centre of the GO Train system, which eventually will be the nerve centre of the TeleGO network as well (see TeleGO).

Platform work continued through the fall, winter and spring after the opening, disrupting operations somewhat, and was scheduled to be

finished by the beginning of the next fiscal year. Installation of two escalators began in February after the Authority, responding to public demand, reviewed the feasibility of the project and decided to put in one escalator each for the platforms between Tracks 2 and 3 and Tracks 3 and 4; these were scheduled to be ready for use by the end of July, 1980, at which time the concourse improvements will be complete.

Oshawa Rail Extension

In response to heavy public demand, the Authority decided in March to study the feasibility of extending GO Train service the 16 kilometres east from the Pickering railhead to Oshawa.

It launched an investigation in conjunction with the Ministry of Transportation and Communications and the Region of Durham's transportation planning staff and asked CN Rail, owner of the line, to do a detailed cost study of such an extension.

Willowbrook Rail Depot

The first phase of construction of the \$17-million GO rail maintenance and storage depot at Willowbrook yard near Mimico station in Etobicoke was finished in late fall.

The 40-acre depot is on the north side of the CN main line between Kipling Avenue and Royal York Road and the switch from the old facilities began on schedule on December 2 when the new crew centre and service and maintenance

building, including administrative facilities, went into use. CN continued performing all maintenance under contract to GO.

The second phase, the east yard, got under way with six contracts totalling \$2.5 million for track work, site electrical and mechanical work and fuelling and lubricating system installations. This phase was scheduled for completion in the summer of 1980.

When fully operational in the fall of 1980,

Willowbrook will boast the aforementioned crew centre and service and maintenance building, an integrated fuelling and lubing yard and just over 11 kilometres (seven miles) of track with outdoor storage capacity for 14 GO Train consists.

The old facility had been strained beyond its limits by the GO rail system's substantial recent growth, especially since the addition of six new locomotives and 80 bi-level cars to the fleet.



Rail Station Redevelopment

Redevelopment of GO rail stations concentrated on the Lakeshore West this year and at Pickering, eastern terminus of the Lakeshore line.

A \$2.4-million station on Fairview Street in Burlington opened officially in March, replacing the obsolete CN station on Brant Street. The new station, built on 8.7 acres, combines the Burlington rail and bus operations in a single location to offer residents convenience and wider travel choice than before — it gives

passengers the flexibility of going one way by GO Train and the other via any one of the GO Buses connecting with every train at Oakville, an option which had been impractical when the trains served Brant Street and the buses operated out of the Guelph Line terminal a mile away. GO Buses were rerouted from the old terminal in October and the existing rush-hour trains began using the new station in February. Fairview's facilities include a 574-car parking lot, station building, kiss 'n' ride area and bus loop.

As part of the upgrading of rail facilities for

Burlington, a six-acre site on Harvester Road was bought for \$531,350 for development of an Appleby Line station when required. Also, to accommodate a track change necessary for the Fairview Street station, a new north platform was built at Oakville West station for \$100,000.

Design continued for the redevelopment of Oakville GO station and four acres immediately west of the present access road were bought for \$850,000 to add 350 parking spaces in the project's first phase, scheduled to begin in the summer of 1980. The second phase, consisting of a station building, a relocated and improved

bus loop and a parking lot south of the tracks to replace the space taken by the loop, was expected to start in late 1980 or early 1981.

At Clarkson, 6.36 acres extending southwest from the station's south parking lot were bought for \$445,500 for badly-needed expansion of parking capacity as the three existing lots, which accommodate 770 vehicles, were usually at least 25 per cent over limit on any given weekday. About 500 spaces will be built on the new site in 1980 and another 400 will be added in future as demand warrants.

The redevelopment of Pickering station began in August after the 6.85 acres needed for expansion had been expropriated and all construction was complete in early December with the exception of the building, which entered service at the end of March. The \$1.21-million expansion resulted in greatly improved facilities for passengers in the form of improved access, 400 new parking spaces, improved bus loop, kiss 'n' ride area and a ticketing building, complete with waiting space and washrooms, replacing the original ticket booth.

Expansion of parking capacity by 200 spaces at Bramalea station on the Northwest line was also finished during the summer. On the Richmond Hill line, planning proceeded for the expansion of the parking lots at Langstaff and Old Cummer stations and the construction of a pedestrian Bailey bridge at Oriole in 1980-81.

Yorkdale Bus Terminal

Operational since mid-September, Yorkdale Bus Terminal opened officially on October 12, the same day as Steepprock Bus Garage.

The two-level terminal, concrete evidence of GO's commitment to serving the Metro Toronto periphery instead of downtown by bus, is in a seven-storey office building in the southeast corner of Yorkdale Shopping Centre in Downsview and is easily reached via the Allen Expressway, Highway 401 and the TTC's Spadina subway line.

Leased from Trizec Equities Limited, the shopping centre's owner, the terminal provides complete cover for passengers and replaces the temporary shelter serving that stop for 21 months.

It has ticketing and waiting areas and 13 covered bus bays on the lower level, which is linked to the upper concourse by escalators and stairs. The upper level has ticketing and waiting facilities too, is connected to the subway by covered walkway and contains full bus parcel express facilities, making it a convenient point for sending and receiving small freight all over North America via the intercity bus network.

The terminal was designed for local and intercity carrier use and was served from the start by the TTC, Gray Coach Lines, Travelways and Penetang-Midland Coach Lines as well as GO

Transit. Negotiations continued during the year to get other carriers, notably Greyhound Lines of Canada, to serve the terminal also.

The terminal is capable of handling 600 buses a day and arrivals and departures totalled over 280 buses every weekday during the first year.

Hamilton Bus Terminal

The search for a new site for a downtown Hamilton bus terminal was deferred pending route alignment of the Provincially-developed intermediate capacity transit system (ICTS) for the city.

The Authority, empowered by the Province to assume responsibility for interregional bus terminals, was considering a long-term lease arrangement with private enterprise to build a new terminal for the region and had advertised for proposals at the end of the last fiscal year. It received suggestions for 15 sites but decided during the current year to defer final selection so that the terminal can be combined with or located next to one of the ICTS stations for maximum mutual benefit.

Meanwhile, it took over the existing terminal at John and Rebecca Streets and planned renovations to the facility, built in 1955 by Gray Coach Lines, to serve the area until a new one is constructed.

Steepprock Bus Garage

Steepprock Bus Garage, GO's \$5-million maintenance and storage facility in north Downsview, opened officially on October 12 and was in full use by the end of that month.

Housing the operational nerve centre and vehicle maintenance for the GO Bus network under one roof, the 83,000-square-foot garage was designed so it can expand to meet the needs of the growing GO-owned bus fleet. At the outset the fleet totalled 142 vehicles; by mid-winter it had grown to 160 buses with the purchase of six Orions and 12 Prevosts (see Bus Equipment) and by year end the garage was processing 800 vehicle work orders a week.

Located on 7.4 acres just north of the Canadian Forces' Downsview base, the garage was built close to Yorkdale Bus Terminal, the northwest Metro Toronto hub of the GO Bus system, and to York Mills and York Region terminals to cut deadheading to a minimum.

It provides storage for 40 buses indoors, with expansion capability for 60 more, and up to 40 outside. It contains 12 repair bays, fuelling bays, degreasing area, body repair shop, stockroom, brake overhaul area, automatic wash rack, chassis dynamometer (a rolling testbed for putting vehicles through the paces), offices, drivers' area and the GO Bus nerve centre.

The latter was put in the same location as the maintenance operation to increase flexibility and efficiency as the functions had been physically and geographically split. In limited use



Steepprock Bus Garage's automatic wash rack in operation.

from opening day, it will undertake all dispatching for the bus network when fully operational once the entire fleet is equipped with UHF radios.

Bus Radio Outfitting

Two-way UHF radios for the entire GO Bus fleet were bought during the year but could not be installed because of the Federal Department of Communications' delay in assigning frequencies.

The radios were supplied by low bidder Canadian General Electric under partial payment this fiscal year of \$240,000 out of a total outfitting contract of \$480,000, which includes the cost of ancillary equipment and installation in both the vehicles and the GO Bus nerve centre at Steepprock garage.

Just over 20 per cent of the fleet had already been outfitted with leased equipment in test programmes undertaken in previous fiscal years.

OPERATION

Patronage

GO Train and GO Bus ridership continued to grow steadily but slowly, as in the past two years.

Combined carryings increased by nearly 1 million passengers over the previous year, a 5.3 per cent increase; by year end the average weekday ridership on the system totalled just over 67,000 passenger trips, with GO Trains accounting for 41,000 and GO Buses for over 26,000.

Most of the growth occurred in the bus system, which carried 8.7 per cent more passengers than last year. All corridors except the North-east registered healthy ridership increases, the largest of which were on the Northwest and Oshawa routes following last year's major re-vamping of the Guelph-Oshawa corridor. Although its carryings are not large in terms of the overall total, the new Oshawa-Bowmanville GO Bus route is significant for the improved service the change brought for Oshawa-Whitby residents (see Bowmanville GO Bus).

The greatest growth in the rail system — 23.1 per cent — was on the Richmond Hill line, which opened in April, 1978, and stabilized at its current level during the year.

Passengers Carried (Thousands)

Corridor	Bus	Rail	Total	1978-79
Lakeshore East	1402	9981	13,584	12,945
Lakeshore West	2201			
Northwest	1078	1165	2243	2086
North	2693	489	3182	3011
Northeast	96	—	96	105
Total trips	7470	11,635	19,105	18,147

Kilometres Operated (Thousands)

Corridor	1979-80		1978-79	
	Bus	Rail	Bus	Rail
Lakeshore East	1725	561	1574	561
Lakeshore West	3355	619	3187	619
Northwest	2195	109	2013	109
North	2554	49	2527	49
Northeast	373	—	468	—
Total	10,202	1338	9769	1338

Route Kilometres Operated

Bus	Lakeshore East	Lakeshore West	North West	North	North East	All Corridors
At April 1, 1979	195	177	351	364	148	1235
Added during year	18	32	—	—	—	50
At March 31, 1980	213	209	351	364	148	1285

Rail

At April 1, 1979	34	63	47	34	—	178
Added during year	—	—	—	—	—	—
At March 31, 1980	34	63	47	34	—	178

Total

Total route kilometres operated at						
March 31, 1980	247	272	398	398	148	1463

Service for Special Events

With attractions on the lakefront all year round, especially in the summer, GO Transit service for special events in the downtown Toronto area was in demand as usual.

GO attempted to anticipate demand and tailor capacity accordingly for activities such as concerts at Maple Leaf Gardens, Exhibition Stadium and Ontario Place; shows throughout the winter at Exhibition Place; and sporting events like Argonaut football games, Blue Jay baseball games and Blizzard soccer matches. As in the past, it also provided regular hourly service for Exhibition station all summer for the Ontario Place season and the Canadian National Exhibition.

Reflecting the CNE's drop in attendance this year, GO ridership at Exhibition station during the 20-day show decreased by 14.4 per cent from 1978's record of 867,092 passenger trips to 742,122. GO's percentage of the CNE gate, however, dropped only slightly from 12.1 per cent of attendance in 1978 to 11.2 per cent in 1979 — an indication of the popularity of GO service for transporting people to and from the Exhibition.

Bowmanville GO Bus

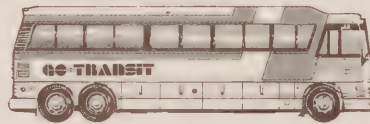
Bowmanville became the most easterly point in the GO Transit network in December when hourly GO Bus service started between Oshawa and Bowmanville along Highway 2.

GO assumed responsibility of Charterways' Whitby-Oshawa-Bowmanville route to provide Monday through Saturday service between downtown Bowmanville and the Oshawa Bus Terminal, with about half the trips extending west to serve the Oshawa Centre as well. Charterways became the contractor of this link, using GO-owned equipment.

In taking over the route, GO also was able to allow local travel on its existing Highway 2 GO Bus service between Oshawa and Whitby, as recommended by the Toronto-Oshawa-Bowmanville corridor rationalization study done by GO, the Ministry of Transportation and Communications and the Region of Durham. Removing the local travel restriction on this stretch meant that Oshawa-Whitby residents gained improved Highway 2 service as the basic hourly GO Bus operation runs on 20-minute frequencies during weekday rush hours, compared with the hourly-only service under Charterways.

These benefits outweighed any disadvantages caused by the change (although the new GO service runs on basically the same schedule as the old Charterways one, Sunday and holiday

service was discontinued). The new service has been well received and passengers are now able to travel in air-conditioned comfort between Bowmanville and all points in the GO rail and bus system with purchase of a single ticket.



Bus Equipment

The GO Bus fleet grew from 142 to 160 vehicles with the purchase of six new Orion buses for \$625,000 and 12 used Prevost Champions for \$738,300.

The 30-foot, 31-seat Orions are Ontario-designed coaches made with modifications for GO by Ontario Bus Industries in Mississauga; the 47-seat Champions are Quebec-built coaches bought from Murray Hill Coach Lines of Montreal, where they had been used in highway service.

The buses were greatly needed to meet both existing peak period demands and the crunch expected as commuters continued shifting from the private automobile to public transit because of soaring gasoline prices.

The energy crunch had created unprecedented demand for new buses in North America, resulting in deliveries averaging two years, and used buses were sold almost as soon as they became available. Buying the Prevosts was thus the fastest and most economical way to meet immediate needs, although GO continued to lease buses as required and assess its needs for new equipment constantly.

The 18 buses entered service in January and were deployed mainly in the Newmarket and Oshawa corridors, including the new Oshawa-Bowmanville route.

The older vehicles of the other 142 buses in the fleet continued to undergo overhaul at the scheduled rate of 10 buses a year in a painting and refurbishing programme begun in 1977 and carried out for GO by the Toronto Transit Commission.

Rail Equipment

All 80 Hawker Siddeley bi-level rail cars were in full service by the end of June.

Revolutionary new equipment designed and manufactured in Ontario to GO specifications, the bi-levels went through their first real test with flying colours during the CNE and the TTC strike of 1978 and proved invaluable again during the 1979 CNE and in rush hour and heavy traffic periods in general.

More bi-levels may be ordered in future to replace the original single-level rail cars; sixty of the fleet of 123 are being leased by the Massachusetts Bay Transportation Authority of Boston for a second year (see Lease Revenue) and are scheduled to return to GO service when the Streetsville/Milton line opens.

Fuel Conservation

The locomotive fuel economy programme launched the previous fiscal year continued successfully.

Locomotives were shut down during layover in warm weather to save diesel fuel and a test shutdown of locomotives laying over in Georgetown, using electric heaters to keep the engines warm, proved successful during the winter of 1979-80. The programme will continue

as GO searches for ways to practise energy conservation.

GO also embarked on studies in conjunction with other Government agencies to seek alternate energy sources to power its trains and buses.

Alternate Energy Sources

GO Transit became closely involved in studies probing the feasibility of electrifying its trains and buses and using alternate forms of energy, chiefly hydrogen, to power its equipment.

As a major public transit operator, GO is aware of the growing concern over transportation energy costs and the profound implications which current energy trends have on the Provincial economy.

It is therefore contributing technical expertise and input to the Ministry of Transportation and Communications' study on fossil fuel conservation, which includes investigating the use of electricity as an alternative means of power, and the Ministry of Energy's task force on hydrogen energy. It also initiated a research and development programme on hydrogen power for transit vehicles in conjunction with the Province's Urban Transportation Development Corporation.

Plant Maintenance

Under the last two years' organizational changes, plant maintenance staff became responsible for the maintenance of the new Union Station concourse, Steeprock Bus Garage, Willowbrook Rail Depot and the Yorkdale, Hamilton and Oshawa bus terminals as well as all other existing stations and terminals.

Despite these major extra responsibilities and the addition of two parking lots during the year, snow removal cost only \$309,000, compared with \$420,000 last year, because of a mild winter.

Vandalism damage, however, increased over the previous year. Damage from 167 reported incidents totalled \$11,833 this year; the largest single loss was \$1,190 incurred in a spree at Malton station on the Northwest line in June.

The cleaning of 64 passenger shelters in the north Yonge corridor by the ARC Industries adult rehabilitation centre of Richmond Hill continued for the third successive year at a cost of \$32,280. Excellent service was given by the ARC crews, as in former years. Fourteen new passenger shelters were erected on various routes throughout the system during the year.

New vehicles were bought during the year, including three tractors and 12 service vehicles, the latter to replace equipment which had been rented from the Ministry of Transportation and Communications.

Lease Revenue

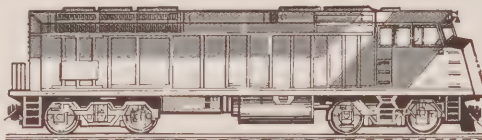
Over \$1.8 million in non-fare revenue has been produced by several sources in the past two years to help offset operating costs.

The sale of advertising space in GO rail cars and stations, the renting of spare locomotives on weekends, the leasing of surplus single level rail cars and the renting of commercial space in Union Station have become significant sources of additional revenue.

Advertising space in the form of display ad placards on rail cars and backlit signs and illuminated digital clocks in GO rail stations and bus terminals generated \$93,000 in 1978-79 and \$102,000 in 1979-80 — and is expected to produce \$230,000 in revenue in the next fiscal year. The programme began in October, 1975.

The renting of spare locomotives to CP Rail, CN and VIA for weekend service in southern Ontario had generated over \$369,000 from the time the programme began in October, 1978, to the end of March, 1980. Almost all the revenue came from CP in over 400,000 kilometres of freight service; the locomotives were rented on weekends only, with as many as 10 of the GO fleet of 25 out on lease on some occasions.

The lease of 60 single-level rail cars to Boston's Massachusetts Bay Transportation Authority



had generated over US\$1.013 million, or over Cdn\$1.18 million, from the start of the lease to fiscal year end. The cars, original equipment dating back to the beginning of GO Transit in 1967, became surplus when the bi-levels went into service and are scheduled to return to GO use when the Streetsville/Milton line opens in 1981.

The newest source of non-fare revenue is the 8,000 square feet of commercial space in the new GO concourse in Union Station, which opened in August. The space has been leased to various retail outlets and will net over \$125,000 annually in minimum rent alone.

Staffing

GO Transit's staff complement grew substantially as the result of two major changes: the gradual assumption of the direct responsibility of running the system from the contractors, including control over all ticket sales and inven-

tory; and the related Government directive that the Authority maintain its own buses and operate all its rail stations.

The complement consequently increased from nearly 90 in the fall of 1978 to just over 300 by the end of March, 1980, while the man-hours required of the contract operators were reduced correspondingly.

The changes meant added responsibilities for staff. GO employees were responsible for servicing the bus fleet from the day Steeprock Bus Garage opened. Jurisdiction over the corridor bus agencies was transferred from Gray Coach Lines to GO between April and October, 1979, in the Newmarket, Oshawa, Georgetown and Hamilton corridors. GO personnel began looking after the ticketing function at Exhibition station and the new Union Station concourse, Yorkdale Bus Terminal and Burlington GO station upon their openings. And plant maintenance staff assumed increased responsibilities (see Plant Maintenance for details).

At year end, the Authority began preparing for the hiring of attendants for the personnel switch from CN to GO scheduled for June, 1980, in the Lakeshore West rail corridor; the Lakeshore East line was expected to change over in 1981. (Attendants on the Northwest and Richmond Hill lines are already GO employees.)

Fare Increases

Fares increased by about 1/3 cent per kilometre (half a cent a mile) on April 29, 1979, in GO Transit's continuing effort to recover 65 per cent of its operating costs through fare revenue.

The fourth in as many years, the increase conformed with the Government's directive to review finances annually and adjust fares accordingly to gradually meet the 65 per cent target. The hike was necessitated by rising costs caused by normal inflation and the increased charges set by the new 10-year operating agreement with CN Rail (signed in October, 1978, and retroactive to June, 1977).

The increase also extended the Downtown Bus Surcharge of 35 cents, first applied in the Newmarket corridor in 1978, to the Guelph-Georgetown-Brampton and Oshawa-Whitby-Ajax corridors. The surcharge is designed to discourage direct GO Bus travel in the congested downtown Toronto core (passengers choosing to do so are charged the additional fare) and encourage transfer to the GO Train or TTC services, reducing duplications and costly downtown operation.

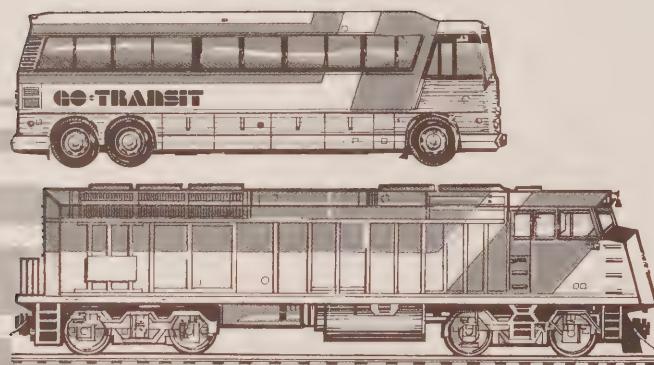
At year end another fare increase, this time raising fares by about 1/5 cent per kilometre, was scheduled to take effect on April 1, 1980.

This adjustment will increase the base from 20 to 25 cents as well as raise the distance charge, levied after the basic charge, from 3.7 to 3.9 cents a kilometre. The Downtown Bus Surcharge will also increase by five cents to 40 cents and will be extended to part of the Lakeshore West route, the Oakville-Toronto QEW service and the Erindale-Cooksville-Toronto QEW run.

This increase will only marginally improve the revenue/cost picture — about 53 per cent of operating costs were being recovered from fares—but the Authority felt the increase, as in 1979, should be kept to a minimum during a period of heavy inflationary pressures as an incentive for commuters to leave their cars at home. In both instances the shortfall was expected to be made up by increased patronage, aggressive cost-cutting and income from sources such as equipment rental and sale of advertising space (see Lease Revenue).



A.F. LEACH
Managing Director
and Secretary



Auditors' Report

To the Members of the Toronto Area
Transit Operating Authority and
the Minister of Transportation
and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1980 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1980 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink that reads "Touche Ross & Co." in a cursive script.

Toronto, Ontario
July 31, 1980

Touche Ross & Co.
Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 1980
(In thousands of dollars)

Assets

	<u>1980</u>	<u>1979</u>
Current		(Note 8)
Cash	\$ 9,099	\$ 2,679
Accounts receivable	540	215
Due from the Province of Ontario	3,564	7,452
Spare parts and supplies	2,812	1,720
Prepaid expenses	<u>142</u>	<u>66</u>
	<u>16,157</u>	<u>12,132</u>
Fixed		
Land	20,817	13,680
Buildings and equipment (Note 2)	103,008	87,397
Leasehold improvements, net of accumulated amortization of \$18 (1979—nil)	338	—
Improvements to railway right of way and railway plant, net of accumulated amortization of \$2,735 (1979—\$1,038)	31,218	11,443
Construction in progress		
Toronto Transportation Terminal Project	2,610	11,739
Milton Rail Project	13,180	606
Other	3,348	7,101
Progress payments on rail equipment	<u>—</u>	<u>543</u>
	<u>174,519</u>	<u>132,509</u>
	<u>\$190,676</u>	<u>\$144,641</u>


Liabilities

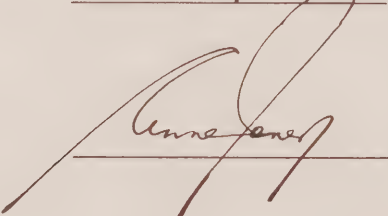
	<u>1980</u>	<u>1979</u>
Current		(Note 8)
Accounts payable and accrued liabilities	\$ 13,346	\$ 10,279
Unearned revenue in respect of tickets sold and not used	<u>355</u>	<u>134</u>
	<u>13,701</u>	<u>10,413</u>

Equity

Province of Ontario	<u>176,975</u>	<u>134,228</u>
	<u>\$190,676</u>	<u>\$144,641</u>

On behalf of the Members


Chairman


Member

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1980
(In thousands of dollars)

	1980	1979
Equity at beginning of year	\$134,228	\$110,821
Capital contribution from the Province of Ontario	51,490	29,886
	185,718	140,707
Loss for the year	8,743	6,479
Equity at end of year	<u>\$176,975</u>	<u>\$134,228</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1980
(In thousands of dollars)

	1980	1979
		(Note 8)
Revenue		
Commuter services	\$21,829	\$19,779
Other	2,700	959
	<u>24,529</u>	<u>20,738</u>
Expenses		
Train and bus operations	33,340	30,884
Terminals and plant	17,211	12,601
General and administration	5,871	4,534
	<u>56,422</u>	<u>48,019</u>
Loss from operations	31,893	27,281
Operating subsidy from the Province of Ontario	23,150	20,802
Loss for the year	<u>\$ 8,743</u>	<u>\$ 6,479</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1980
(In thousands of dollars)

	1980	1979
		(Note 8)
Source of funds		
Capital and operating subsidies from the Province of Ontario	\$74,640	\$50,688
Proceeds on disposal of fixed assets	320	53
	<u>74,960</u>	<u>50,741</u>
Application of funds		
Operating loss	31,893	27,281
Less items not requiring an outlay of funds		
Depreciation	7,028	5,830
Amortization of improvements to railway right of way and to railway plant	1,697	649
Amortization of leasehold improvements	18	—
Gain on disposal of fixed assets	(185)	—
	<u>23,335</u>	<u>20,802</u>
Capital expenditures		
Land, buildings and equipment	29,911	45,490
Leasehold improvements	356	—
Improvements to railway right of way and to railway plant	21,472	1,681
Construction in progress		
Toronto Transportation Terminal Project	1,198	6,657
Milton Rail Project	12,905	606
Other	1,508	5,390
	<u>67,350</u>	<u>59,824</u>
Less payments made in the previous year	16,462	30,651
	<u>50,888</u>	<u>29,173</u>
	<u>74,223</u>	<u>49,975</u>
Increase in working capital	<u>\$ 737</u>	<u>\$ 766</u>

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1980

(In thousands of dollars)

1. Summary of significant accounting policies

a. General

The financial statements are prepared on the accrual basis using commercial accounting practices.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following annual rates on the straight-line basis:

Buildings and equipment

Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%

Improvements to railway

right of way and to railway plant	Varying rates between 5% and 33%
Leasehold improvements	5%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses.

2. Buildings and equipment

	1980		1979	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 22,639	\$ 1,838	\$ 20,801	\$ 2,791
Locomotive and auxiliary power control units	13,098	4,148	8,950	10,074
Other railway rolling stock	72,636	10,905	61,731	64,390
Buses	12,809	4,307	8,502	8,288
Parking lots	2,500	443	2,057	1,359
Sundry	1,325	358	967	495
	<u>\$125,007</u>	<u>\$21,999</u>	<u>\$103,008</u>	<u>\$87,397</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	January 1, 1979 to December 31, 1981
Travelways Maple Leaf Limited	Continuation on a monthly basis of the agreement which expired on April 30, 1979

5. Lease commitments

Long-term leases in effect at March 31, 1980 expire in varying periods from four to nineteen years and require minimum annual rental payments of \$900.

6. Capital commitments

The nature and amount of capital commitments undertaken by the Authority are outlined below:

Agreement for improvements to the rail right of way on the Streetsville/Milton corridor	\$20,700
Estimates of other costs associated with the improvements to the Streetsville/Milton corridor	10,300
Contract for the construction of the Willowbrook rail maintenance facility, net of payments made to March 31, 1980	2,400
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3, net of payments made to March 31, 1980	38,000
Station redevelopment costs, net of payments made to March 31, 1980	100
Contracts for the development and installation of communications systems, net of payments made to March 31, 1980	500
	<u>\$72,000</u>

7. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

8. Comparative figures

The 1979 comparative figures have been changed to conform with the presentation adopted in 1980.

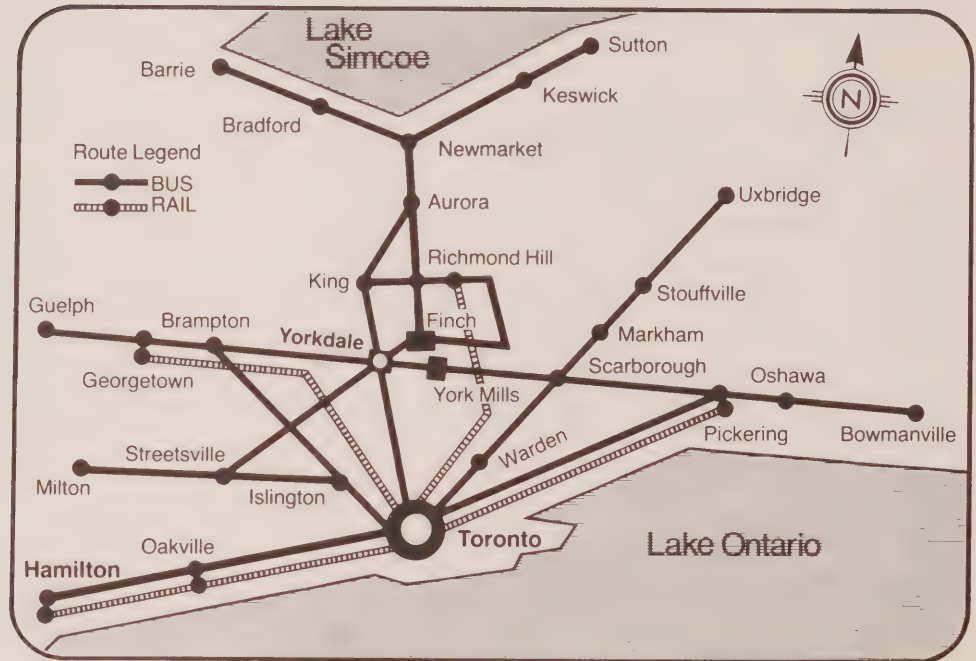
Summary of Sundry Revenue

(In thousands of dollars)

	1980	1979
Equipment rentals	1,659	277
Bus parcel express	499	442
Interest income	83	36
Advertising revenue	102	93
Gain on disposal of fixed assets	185	—
Other income	172	111
	<u>2,700</u>	<u>959</u>

GO TRANSIT

March 31, 1980



Objectives

The Toronto Area Transit Operating Authority Act, 1974, established the Authority as an Agency of the Crown:

To design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And to encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

GO Transit

The Authority operates all the commuter services of Government of Ontario Transit.

Area of Jurisdiction

The Authority is, for practical purposes, a voluntary association of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto, and the Province of Ontario.

Membership

The Authority's Board is composed of seven members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Regional Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

A.T.C. McNAB
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

J.W. BEATH
Chairman, Council of
The Regional Municipality of Durham

B. FORHAN
Chairman, Council of
The Regional Municipality of York

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

J.N. RAFTIS
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

J.M. BURWELL
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

G.E. MADDEN
Director, Marketing

R.A. RULE (deceased)
Director, Engineering

D.A. SUTHERLAND
Director, Development and Special Projects

W.T. HOWARD
Executive Director, Toronto Transportation Terminal



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Toronto Area Transit Operating Authority

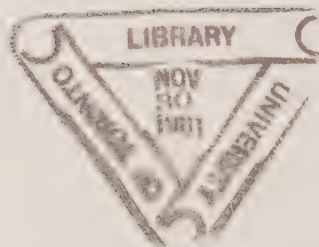
1981

Annual Report

For the year ending March 31, 1981



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GO TRANSIT

3025 Dufferin Street Downsview, Ontario M3K 1Z2
(416) 830-0563 Telex 05217508

21 August, 1981

The Honourable James W. Snow,
Minister of Transportation
and Communications,
Ferguson Block,
Queen's Park,
Toronto, Ontario.

Sir:

It is my honour, on behalf of the Members of the Board, to present the 1980-81 annual report of the Toronto Area Transit Operating Authority.

It is also my pleasure to extend our thanks to you and your staff at the Ministry of Transportation and Communications for your continuing co-operation and assistance in a year of rapid development for GO Transit. It is my hope that this special relationship will continue to grow.

Respectfully submitted,

Louis H. Parsons,
Chairman.



T. J. McLean
Regional
Authority

Chairman
C. W. PETERSON
Vice-Chairman
MRS. L. J. JONES
Regional Municipality of
Halton

R. F. BLAIR
Regional Municipality of Peel
B. F. ORMAN
Regional Municipality of York

P. V. GODFREY
Municipality of Markham
G. HERRMANN
Regional Municipality of Durham

J. N. RATTIS
Regional Municipality of Halton
M. J. JONES
Regional Municipality of York



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block,
Queen's Park
Toronto, Ontario
416-963-2101

September 11, 1981

The Honourable John Black Aird,
O.C., Q.C., LL.D., B.A.,
Lieutenant Governor of Ontario,
Parliament Building,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour and the Legislative Assembly the report of the activities of the Toronto Area Transit Operating Authority for the year ending March 31, 1981.

Respectfully submitted,

James W. Snow,
Minister.

Chairman's Summary

Reflecting the general trend of the transit industry, fiscal 1980-81 for GO Transit was both a year of considerable growth and a time to re-assess the future and come to grips with its problems and special needs.

Overall ridership increased by nine per cent, compared with just over five per cent the previous year. The GO Bus system, a full-fledged network in its own right and a far cry from its rail-support beginnings in 1970, grew faster than rail for the first time. Outstripping rail growth by over three per cent, the increase in bus carryings was strongest in the Highway 401 corridor linking north Metro Toronto with communities as far away as Georgetown and Oshawa; growth in the Brampton-Toronto and Oshawa-Toronto segments of this corridor reached as high as 25 per cent in some months. Rail system growth concentrated almost entirely along the Lakeshore, with stations outside Toronto, especially Burlington, Oakville and Pickering, registering the greatest increases.

One reason for this growth, although hard to measure accurately, is believed to be rising fuel prices for the private car owner. Steadily increasing gasoline prices must take some responsibility for driving commuters to public transit, and GO fares, although themselves on the rise annually, are still attractive and very competitive with the real costs of owning and driving a car (and, for many, of

parking in areas like downtown Toronto).

Most of this growth occurred during peak periods, straining GO's equipment resources. Consequently, GO expanded its bus fleet substantially and strived to increase train capacity by enlarging the bi-level fleet. The bus fleet had grown from 142 to 160 vehicles last fiscal year and expanded to 173 this year; an order for 25 new MC9 coaches was also placed during the year, bringing the total to 198 upon delivery in late 1981.

Similarly, to keep pace with demand, major expansions and redevelopment were made to the GO infrastructure.

Work continued through the year on the Toronto Transportation Terminal project, a \$38-million scheme funded entirely by the Province. T3's first phase, a new GO concourse in Union Station, opened in August of 1979 and finishing touches continued this year; the second phase, consisting of major improvements to the bottleneck in the station's western corridor approaches, proceeded with completion of the Bathurst North train storage yard and construction of a rail underpass for GO Train traffic to relieve the Bathurst Street congestion. The \$17-million Willowbrook Maintenance Depot, built and owned by GO, went into full use in the fall and officially opened in November. This modern rolling stock facility was designed expressly for GO's commuter needs

and can expand as the fleet grows. The two busiest out-stations, Pickering and Oakville, were the focus of redevelopment — the new Pickering station became fully operational at the beginning of the fiscal year, and the first phase of Oakville's reconstruction commenced in the summer and was completed in December. Construction continued on the Toronto-to-Milton rail line, due to start up in October of 1981. Running through several Mississauga communities, this route, GO's fourth, will serve one of the fastest growing areas around Toronto and should relieve some of the pressure on the Lakeshore West line.

On the bus side, extensive renovations were made to Hamilton Bus Terminal to serve the burgeoning Hamilton-Toronto market. GO assumed responsibility for this terminal in February, leasing it from Gray Coach Lines. Yorkdale had been the first interregional bus terminal to fall under GO's jurisdiction by Government directive and continued to grow, with Gray Coach and Greyhound Lines of Canada tripling their intercity trips serving the terminal. And plans continued for the takeover and expansion of Oshawa terminal and the relocation and expansion of Newmarket terminal. Service efficiency was improved too with the outfitting of the entire bus fleet with two-way UHF radios — an invaluable link with the main dispatching base at Steeprock Bus Garage.

Looking to the future, GO Transit continued to pursue two important avenues of endeavour.


Fare integration, begun as a six-month experiment in Brampton in October of 1979, had proved such a resounding success that the pilot project was extended twice in Brampton, then expanded to Oakville, and by year end plans were being made to incorporate the programme permanently in the GO system. Designed initially to relieve overcrowding at parking lots, the fare integration programme — whereby passengers transfer free between GO and the municipal bus — resulted in substantial local bus ridership increases and could be the key to encouraging more commuters to utilize public transit instead of driving.

Soaring fuel prices, as I mentioned earlier, were partly responsible for this upswing in transit usage. They were also cause for concern for GO, which continued conserving energy wherever possible. Another problem which GO addressed was the depletion of Canada's fossil fuel supplies and the effect this would have on the future of the GO operation. In conjunction with other Government agencies, GO continued to investigate the feasibility of alternate forms of fuel to power its trains and buses — energy sources which will not necessarily be cheaper than oil and which will entail very high capital investment. However, the need

to find solutions now, not when the situation gets critical, has become increasingly evident. Thus GO continued its involvement in the research and development of hydrogen as an alternate energy source, and participated in studying the feasibility of electrification.

By the year end, the latter moved closer to reality when Cabinet gave the green light to the design phase, paving the way for possible electrification of the rail network. During the year GO Transit also provided input to the Ontario Task Force on Provincial Rail Policy, which should report on its findings in the summer of 1981.

The results of all these endeavours and developments will have important ramifications in the years ahead. Meanwhile, in a period of continuing expansion, complicated by soaring costs and financial constraints, GO's high quality of service to the public was maintained. As the new Chairman, I would thank staff for their dedication and efforts in accomplishing this; I would also acknowledge the performance of the contractors: CN, CP, Gray Coach, Travelways and Charterways. And I would thank the Members of the Board for their active role in the development of policy and direction for GO.



LOUIS H. PARSONS
Chairman

Managing Director's Report

Fare Integration

Fare integration continued to be a success. Launched in the City of Brampton in October, 1979, the experiment was extended there twice then expanded to the Town of Oakville in August, 1980. By year end plans were being made to incorporate the programme permanently in the GO system.

By charging only the GO fare, the experiment allows commuters to transfer free between the GO system and the municipal bus service, encouraging them to leave their cars at home. Its aim is twofold—to relieve both GO's parking lot overcrowding and local traffic congestion—and its cost is shared by GO and the municipality concerned, with GO paying 75 per cent.

In both Brampton and Oakville, the municipalities' share was quickly offset by substantial increases in ridership on the local bus routes serving the GO stations. Ridership on Brampton Transit buses serving the Brampton and Bramalea stations jumped by 133 per cent between the start of the experiment and the end of fiscal 1980-81, while carryings on Oakville Transit routes to and from the Oakville station increased by 37 per cent.

These two communities were chosen for the experiment not only because the parking situation at the GO stations was critical but

also because good bus connections existed. Virtually every GO Train serving the Brampton, Bramalea and Oakville stations was already being met by local transit buses, enabling fare integration to be introduced without adding bus capacity or disrupting routes and schedules.

TeleGO

Testing of the TeleGO computerized train monitoring system at Clarkson station has been scheduled for the fall of 1981.

The testing will include passenger surveys and interviews to gauge the effectiveness of the system, which is designed to improve the quality of service status information for passengers and permit quick operational response in the event of service disruption. In the Clarkson experiment, the exact location of each GO Train in service in the Lakeshore corridor will be monitored continuously so that accurate train arrival times can be transmitted electronically to signs in the station building and parking lot and on the passenger platform.

The TeleGO system comprises three components: monitoring equipment on each locomotive (an ALL, or automatic locomotive location, device) to transmit data by existing two-way radio; a main computer at Union Station to process the data and calculate

arrival times; and processing equipment at Clarkson to accept this data from Union and control that station's signage.

By year end programming had been completed and the signage at Clarkson erected; installation of the ALL devices on the locomotives will be done in the summer of 1981 in readiness for the fall testing.

Accessibility Improvements

Recognizing the difficulty which handicapped persons have using public transit, GO launched a five-year programme to improve the accessibility of its facilities and services.

Staff will be monitoring the effects of such improvements in the years to come and will continue to examine other means of improving accessibility. Innovations by other transit agencies and advances in transportation technology will also be investigated to allow GO to improve service for individuals with special mobility needs.

This five-year programme is significant in light of the fact that 1981 is the International Year of Disabled Persons, although GO, in conjunction with the Ministry of Transportation and Communications, had already begun studying ways to improve accessibility for physically-handicapped persons four years ago.

Fare Collection Study

During the year, GO reviewed its fare collection procedure for both the bus and the rail system to see if improvements were needed and what alternatives existed.

Options being considered by year end involved both an automated system and a self-serve system; any modifications to the existing procedure probably will be tested in one part of the GO network before being introduced system-wide.

The study's scheduled completion date is mid-1981.

Fuel

With continually rising diesel fuel prices, GO continued its fuel conservation and search for practical, alternate forms of energy to power its trains and buses.

Begun in the last fiscal year, the shutting down and wayside heating of locomotives continued at Willowbrook Maintenance Depot and Georgetown station; plans were also made for similar wayside power connection at Guelph Junction for the overnight storage of trains on the new Milton line.

GO was closely involved in studies with other Government agencies on the feasibility of electrifying its trains and buses and using alternate energy sources, chiefly hydrogen,

for power. It conducted preliminary investigations into the use of hydrogen as an energy source for transit vehicles, in conjunction with the Province's Urban Transportation Development Corporation, and contributed technical expertise to the Ministry of Transportation and Communications' study on fossil fuel conservation and the Ministry of Energy's task force on hydrogen energy.

By year end, GO and the appropriate agencies proceeded to design for the electrification of the rail system (see following item).

Electrification

The design phase for the electrification of the rail system was given the go-ahead by Cabinet in January.

In its economic blueprint for the 1980s for Ontario, the Board of Industrial Leadership and Development, a new Cabinet committee, authorized GO, the MTC and CN Rail to start design immediately on the electrifying of the GO Train network. Top priority for implementation was given the Lakeshore line between Oakville and Pickering, followed "when viable" by the Georgetown, Richmond Hill and Milton lines.

The Federal Government will be approached for financial participation, according to BILD's blueprint, and important industrial spin-offs for Canadian manufacturers and suppliers can be expected.



Underpass taking shape next to Bathurst North yard.

Toronto Transportation Terminal

The Toronto Transportation Terminal project continued as scheduled. All work in the first phase — the \$10-million GO concourse in Union Station — was finished by the end of July and the \$28-million second phase began in April with construction of the Bathurst North train storage yard.

The project is an important key to future growth, needed to handle not only present demands but also the new Milton line and

the ridership increases expected through the end of the century.

It consists of three main parts: the GO concourse, which opened in August, 1979; the storage yard on the north side of the main line tracks near Bathurst Street; and extensive improvements to the station's western corridor approaches.

The concourse had been virtually completed when it opened, with only platform work and

escalator installation left; all four GO tracks were in full operation by May and the two escalators, linking the concourse with the platforms for Tracks 2/3 and 3/4, went into use at the end of July. (For details on concourse, see 1979-80 annual report.)

Bathurst North yard, completed in the fall, can hold seven full train consists during the day, eliminating some unnecessary and costly deadheading through the overburdened junction west of Bathurst Street to the Willowbrook depot.

Once this yard was finished, work began on a rail underpass to open up the bottleneck west of Union, where the 14 station tracks narrow to six at Spadina Avenue and then to two at Bathurst Street. The underpass is required to bring GO Trains under other rail traffic to get to and from Union station. This part of the scheme includes increasing the number of main line tracks from two to six and lowering the grade of all tracks under the Bathurst bridge to provide standard present-day clearance. Also included is installation of a modern signal system to replace the existing one, which includes hand-thrown switches at Bathurst Street.

The redevelopment should be wrapped up in 1983-84 and will not only relieve the current congestion, which results in many GO Train delays, but also increase the number of trains which can be handled by this segment of the corridor.

Rail Station Redevelopment

Redevelopment of the Lakeshore stations continued this year, with major expansions being carried out at Oakville and Clarkson and the new Pickering station going into full service.

Built the previous fiscal year, the redeveloped Pickering station opened officially on June 12 after having become fully operational at the end of March, 1980. An original station built for the start of GO service in 1967, Pickering was redeveloped to meet the increasing ridership demands of the Pickering-through-Oshawa area. The \$1.21-million expansion improved amenities greatly for passengers through improved station access, increased parking capacity (from 871 to 1,275 spaces), improved bus connection facilities, a kiss 'n' ride area, and a ticketing building, with washrooms and indoor waiting space, replacing the original ticket booth.

At Clarkson, much-needed expansion of parking capacity was completed at the beginning of January when a new lot, extending southwest from the south lot, opened to add 493 spaces for a station total of 1,287. The improvements included a new access road off Royal Windsor Drive and the addition of a kiss 'n' ride to the south lot.

The \$3.3-million Oakville redevelopment began in the summer and the first phase finished in December of 1980, paving the



Artist's sketch of new Oakville station.

way for the \$1.8-million second phase. A four-acre parking lot was built in the first phase, increasing capacity from 960 to 1,310 spaces; two new access roads were built to replace the one off Cross Avenue; and the west-end Lyons Lane access was modified to include a kiss 'n' ride area serving the west platform tunnel.

At year end tenders were called for the second phase, which was scheduled to begin in June, 1981. This segment will see the original ticket booth (another 1967 legacy) replaced by a permanent building with indoor ticketing area, waiting space, washrooms and tunnel connection to the platforms. The facilities used by GO and Oakville Transit buses will also be expanded and improved, and a 200-car parking lot to replace the spaces lost to the bus area expansion will be built on the south side of the

tracks. GO will also continue to try to acquire more land on the south side for expansion of parking capacity to 1,500-1,600 spaces ultimately.

Other construction projects during the year on the Lakeshore were a new Wyecroft Road access for Oakville West station; platform pavement and lighting repairs and walk-in access improvements at Mimico; and access, drainage and lighting improvements as well as parking expansion by 275 spaces at Guildwood.

On the Richmond Hill line, a pedestrian bridge was built at Oriole station and was in use by mid-December; its cost was shared by GO and the City of North York. Also, plans were completed for the addition of 100 parking spaces at Old Cummer station in 1981-82.

Willowbrook Maintenance Depot

The \$17-million Willowbrook Maintenance Depot, built and owned by GO, became fully operational in the fall and opened officially on November 7.

One of the most modern rolling stock facilities of its kind in North America, the 40-acre yard is a far cry from the old CN freight car repair depot which had served GO Transit from the beginning in 1967. That depot, also called Willowbrook, had become highly inefficient by the mid-1970s, with worn tracks and aging buildings, and insufficient space resulting in 90 per cent of all work being done outdoors — at the mercy of the weather. The substantial growth of the fleet in the late 1970s, especially the addition of the 80 bi-levels in 1978, had strained the facility further and made the need for a new maintenance and servicing centre all the more urgent.

Designed specifically with commuter rail service in mind, the new Willowbrook is just north of the CN main line west of Mimico GO station. Construction began in September, 1978, and the switch from the old facilities began in December, 1979. Work on the second phase — the east storage yard —



Willowbrook officially opened with ceremonial banner-breaking.

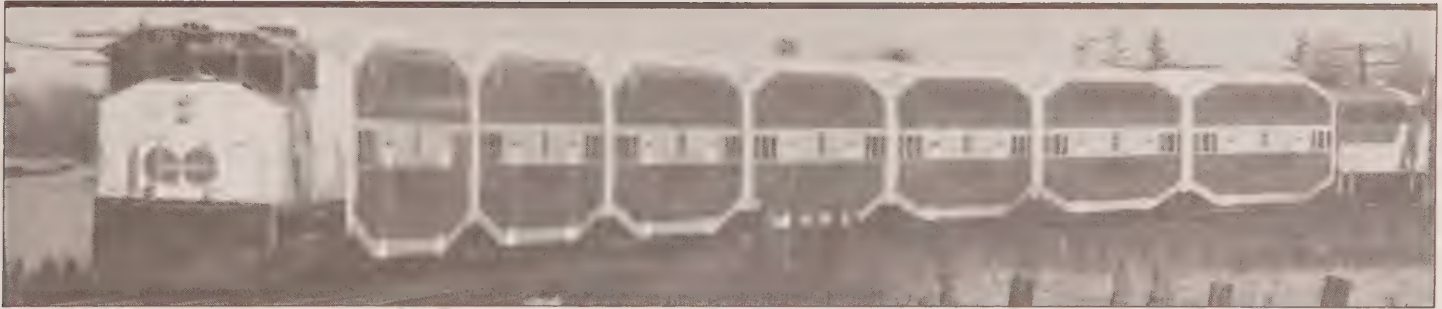
began in February, 1980, and finished in September. All equipment maintenance is done by CN under contract to GO, as in the old CN yard.

The new Willowbrook features a storage yard which can hold 14 complete trains on over 11 kilometres of track; a train crews' centre; a fuelling yard; and a main service and maintenance building which houses a diesel shop, coach shop, wash bay, control centre, offices, stores, support areas, and a 300-metre progressive maintenance bay in which a full 10-car GO Train can be worked on under cover.

The depot also has three important energy-saving features; wayside power, half-power lighting and heat reclamation.

Wayside power hook-ups enable the shutting down of locomotives during layovers, thus conserving diesel fuel. The lighting system in both the shop and office areas can function at full or half levels; generally, most jobs are not visually critical and can be done under 50-per-cent lighting. Heat reclamation is effected by roof-mounted units, which recover and re-use about 65 per cent of the heat which otherwise would be wasted (locomotive exhaust and general heat trapped below the ceilings).

Willowbrook can be expanded as needed to meet future demands.



Test train making run on Milton line.

Milton GO Train

Work continued on the Milton GO Train line — GO's fourth rail corridor — in preparation for an October, 1981, opening.

The first phase began in early fall of 1980 and was completed three months later, allowing the major upgrading of CP Rail's right-of-way to proceed unimpeded. This phase consisted primarily of station platform and tunnel construction and the rough grading of parking lots. The work included the station building and platform at Kipling station, as well as a tunnel connection with the TTC's new Kipling subway terminal; the platform at Dixie station; the platform, pedestrian tunnel and parking lot at Cooksville; the platform at Streetsville station; the platform, tunnel and parking lot at Meadowvale; and the platform and parking lot at Milton.

At year end tenders were being called for the second phase, which will be carried out in the

summer of 1981 and will include the completion of the parking lots and the construction of the station buildings at Dixie, Cooksville, Erindale, Streetsville, Meadowvale and Milton.

CP's upgrading of the 50-kilometre line was well under way by the spring of 1981. The upgrading, funded by the Government of Ontario through GO, began in fiscal 1979-80 with major reballasting and crossing work; the replacing of the entire route's conventional jointed rail with continuous welded rail began in late fall, 1980. CP is also modifying the existing signal network through installation of a sophisticated central traffic control system to handle the new service.

The line, which will terminate at Union Station in Toronto, will consist initially of three weekday rush-hour trains in each direction and is expected to increase to five a day as ridership grows.

Oshawa Rail Extension

GO Transit, CN Rail, the Ministry of Transportation and Communications and Durham Region were involved in studying the feasibility of extending GO rail service the 16 kilometres from the Pickering railhead east to Oshawa.

At year end, the MTC and Durham Region were finalizing their joint study on ridership potential, while CN was involved in a detailed cost study to be finished by the end of 1981. Having specified the need for one additional main line track to handle the extension, CN is now assessing the costs for this and other necessary plant improvements in the corridor.

These studies were launched in the last fiscal year in response to heavy public demand, including a petition to the Legislature by residents of the Oshawa area.

Hamilton Bus Terminal

The downtown Hamilton Bus Terminal at John and Rebecca Streets was renovated for \$130,000 and became a GO operation officially in February under lease from the owner, Gray Coach Lines.

The improvements include an expanded passenger waiting area; improved pas-

senger information facilities; enlarged and renovated bus parcel express and ticketing areas; relocated concession/newsstand area; new dispatch facilities; and extensive repainting and repair for the building, which was built in 1955.

These renovations are interim measures to serve the Hamilton-Wentworth area until a new terminal can be built. The search for a

site for the new terminal was deferred the previous fiscal year pending route alignment of the Provincially-funded intermediate capacity transit system for the City of Hamilton.

Under the Province's 1977 directive to assume responsibility for interregional bus terminals, GO will be taking over the Oshawa terminal too in the near future.

Bus Radios

The entire GO Bus fleet was outfitted with two-way UHF radios during the year and the system became fully operational in mid-October.

Based at the Steeprock Bus Garage control centre, the system has four corridor repeater stations to ensure full signal coverage.

With radio link-up, the control centre is now in communication with every bus in service on every route. The benefits are many as the dispatching base can respond instantly to all kinds of operational problems: emergencies and crime incidents can be handled quickly and efficiently; capacity crowds can be reported by drivers; buses can be re-routed around major traffic tie-ups; and bus-train connections can be co-ordinated more efficiently than before.

As the fleet grows, new buses will be equipped with radios also.



Entire bus fleet now radio-equipped.

OPERATION

Ridership

Unlike the past, ridership grew faster in the bus system than rail this year.

Combined carryings increased by nine per cent over the previous year, with the passenger total reaching 20.8 million. By year end the average weekday ridership was around 73,500 trips, with GO Trains accounting for 44,600 and GO Buses for 28,900. In contrast, the last fiscal year's system increase was 5.3 per cent over the year before, and average weekday ridership at the end of 1979-80 stood at just over 67,000 passenger trips (see graph).

Although difficult to measure, the energy situation is one reason for this growth. Commuters continued to switch from driving to taking public transit as fuel prices and car operating costs kept climbing.

The bus system's growth — 11 per cent over the previous year — was also helped by its flexibility and the trunkline concept. By its very nature the bus system is more flexible than rail and can serve a wide number of different markets, whereas the GO rail system is oriented to downtown Toronto. Also, the streamlining of bus routes over the past few years into an efficient trunk corridor system, extensively serving the north Metro Toronto subway stations, has had an important effect on ridership. Increases of between 15 and 25 per cent in passenger carryings were recorded in the Brampton-Toronto and Oshawa-Toronto corridors in some months.

Rail carryings increased by nearly eight per cent over the previous year, almost entirely in the Lakeshore corridor.

Passenger Carried (Thousands)

Corridor	Bus	Rail	Total	1979-80
Lakeshore East	1693	10,833	14,731	13,584
Lakeshore West	2205			
Northwest	1262	1206	2468	2243
North	3032	508	3540	3182
Northeast	112	—	112	96
Total trips	8304	12,547	20,851	19,105

Route Kilometres Operated

Bus	Lakeshore East	Lakeshore West	North West	North	North East	All Corridors
At April 1, 1980	213	209	351	364	148	1285
Added during year	—	—	42	—	—	42
At March 31, 1981	213	209	393	364	148	1327

Rail

At April 1, 1980	34	63	47	34	—	178
Added during year	—	—	—	—	—	—
At March 31, 1981	34	63	47	34	—	178

Total

Total route kilometres
operated at

March 31, 1981	247	272	440	398	148	1505
----------------	-----	-----	-----	-----	-----	------

Kilometres Operated (Thousands)

Corridor	1980-81		1979-80	
	Bus	Rail	Bus	Rail
Lakeshore East	1873	561	1725	561
Lakeshore West	3582	619	3355	619
Northwest	2576	109	2195	109
North	2951	49	2554	49
Northeast	389	—	373	—
Total	11,371	1338	10,202	1338

Service for Special Events

GO Train service for the Toronto lakefront area was in demand as usual, especially in the summer when regular hourly service was in effect at Exhibition GO station.

Although Canadian National Exhibition attendance and GO's CNE ridership declined for the second successive year, ridership at Exhibition station surged in July for other events. The arrivals at Exhibition station that month totalled 52,802, or an increase of 72.4 per cent over the previous July's 30,619. The July 16 concert by The Who rock group set an all-day, non-CNE summer record of 7,000 arrivals (the normal high is 2,500-2,800); the rest of the increase, 15,000 riders, can be attributed to other concerts, the CHUM Midway, Argonaut football games and Blue Jays baseball bouts.

During the CNE in August-September, GO handled 541,842 passenger trips at Exhibi-

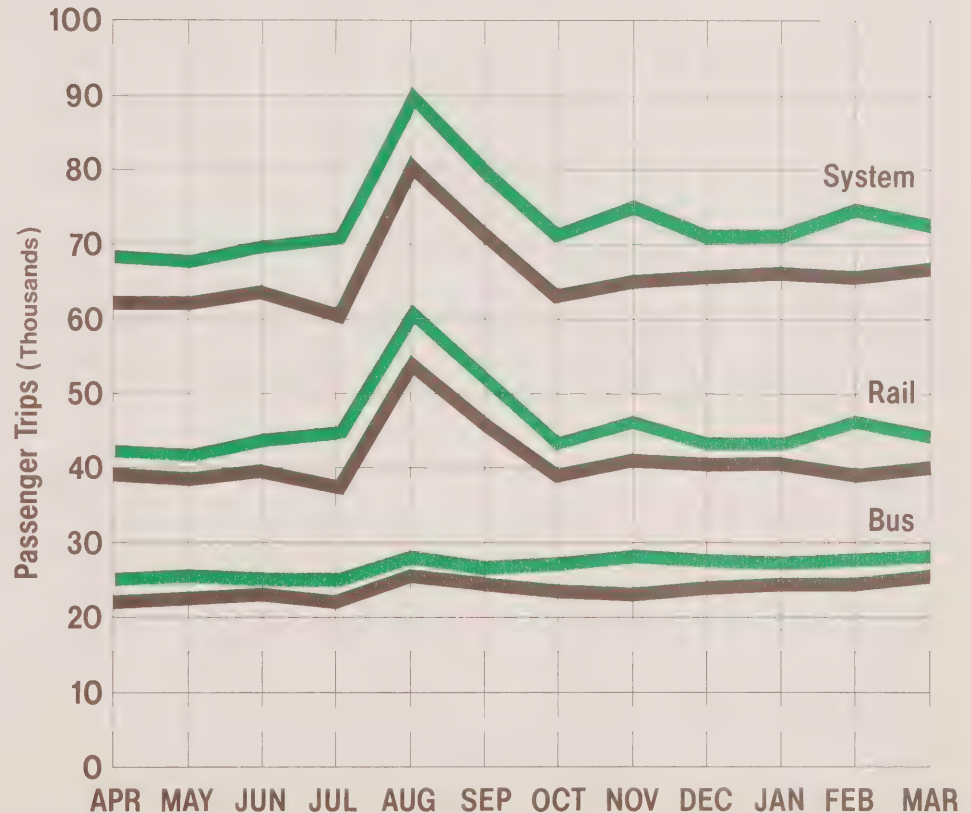
tion station, a drop of 27 per cent from the 1979 total of 742,122. CNE attendance itself decreased by 8.3 per cent, down from almost 3.34 million to 3.06 million; GO's percentage of the CNE gate continued to drop from 12.1 per cent in 1978 and 11.2 in 1979 to 8.9 per cent this year.

On November 23, GO Train service was beefed up for the Grey Cup game at Exhibition stadium — and included two special trains serving Hamilton for the first time in GO history. Arrivals that day at Exhibition station totalled 7,660, with 2,443 from the Lakeshore East and 5,217 from the West.

During the year, negotiations for bus service went on between GO and Canada's Wonderland, a theme park near Maple opening in May, 1981. The shuttle service would be operated by GO for Canada's Wonderland and would connect the park with York Mills subway station and Yorkdale Bus Terminal.

1980-81
1979-80

Average Weekday Ridership





The Orion: made in Mississauga.

Bus Equipment

The bus fleet continued expanding to keep pace with passenger demand.

The fleet, which numbered 15 when GO Bus service began in 1970, grew from 142 to 160 buses in the last fiscal year and increased again this year to 173 with the purchase of 13 vehicles.

The 13 consisted of five MC8 coaches bought from Murray Hill Limousine Service of Montreal and eight Orions built by Ontario

Bus Industries in Mississauga. The Orion is smaller and more fuel-efficient than a standard 40-foot bus and is ideal for the off-highway, short-haul trips on many GO routes; four of the new buses are 35-footers and the other four are 30-footers.

In addition to the 13 buses purchased in 1980-81, 25 MC9 coaches were ordered from Motor Coach Industries in Winnipeg for delivery at the end of 1981. The additional buses are needed for relief for busy routes, especially during peak periods. (See Rider-ship for details of bus system growth.)

Bi-levels

In an announcement in Thunder Bay in February, Premier William Davis authorized GO Transit to renegotiate its current contract with Hawker Siddeley Canada Inc. to add up to 71 bi-levels to the present fleet of 80.

Negotiations with the Thunder Bay manufacturer proceeded through year's end and, if successful, will result in the new cars replacing seat for seat the existing single-level fleet of 122 cars, which can then be phased out and sold on the world market. The single-levels were also designed and made by Hawker Siddeley and some date back to the launch of GO Transit in 1967.

Although they cost almost 40 per cent more than single-level cars to build, the bi-levels are more efficient and economical to operate with their higher seating capacity; each bi-level seats 162, compared with 94 on the single-level — nearly 75 per cent greater. Because both cars are the same length, a unified bi-level fleet will allow GO to increase capacity without lengthening trains (an expensive solution as all station platforms would have to be lengthened correspondingly), or running more trains on the already restricted and costly railway rights-of-way.

Enthusiastically received by commuters since its introduction in 1978, the bi-level won a Design Canada Excellence in Product Design award in March, 1981.

Locomotives and APCUs

Repainting of eight of the rail fleet's 25 locomotives and all nine auxiliary power control units began in September, one unit at a time.

The work is being done by the Ontario Northland Railway in North Bay and by year end the APCUs had been finished and the GP40TC locomotives were being started. The locomotives date from the start of GO service in 1967 and had been refurbished once before in 1974-76; the APCUs are Ontario Northland locomotives converted in 1974 into generating units to provide heat and light power for passenger cars.

By year end, two FP7A locomotives had also been bought and shipped to North Bay to be converted into APCUs needed for the new Milton service.

Staffing

As GO moved from a mainly administrative role to one more directly involved in operations, staff complement continued to grow.

By the end of March, 1981, the complement totalled 400 employees, compared with 300

the previous March and 90 in the fall of 1978.

Most of the increase was required for bus maintenance and ticket sales. Since Steeprock Bus Garage (which is staffed by GO) opened in 1979, bus maintenance personnel have been needed in increasing numbers to keep pace with the rapidly-expanding bus and support vehicle fleet. Ticket attendants have also been needed for GO's takeover of rail station staffing from CN, part of a continuing programme to assume direct control over all aspects of the ticketing function. The Lakeshore West changeover took place in June, 1980, and the Lakeshore East, the final segment, is scheduled for a similar switch in June, 1981. Attendants on the Georgetown and Richmond Hill lines were GO employees from the start.

During the year, Local 1587 of the Amalgamated Transit Union, in accordance with the Crown Employees Collective Bargaining Act, was recognized as the exclusive collective bargaining agent for all GO Transit employees except supervisors and foremen, employees above these ranks, and office and technical staff. About 280 GO employees are represented by Local 1587.


Fare Increase

A fare increase of about 1/5 cent a kilometre took effect on April 1, marginally improving GO's revenue / cost picture.

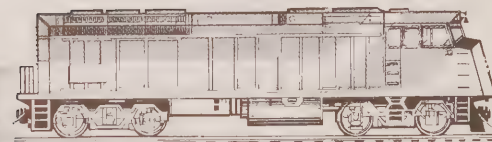
The adjustment increased the fare base from 20 to 25 cents and raised the distance charge, levied after the basic charge, from 3.7 to 3.9 cents a kilometre; the downtown bus surcharge was increased by five cents to 40 cents.

Despite the increase, only about 53 per cent of GO's operating costs are being recovered now from fares, still short of the Government's target of 65 per cent. GO felt, however, that this increase, the fifth in as many years, should be kept to a minimum during heavy inflationary times as an incentive for commuters to switch from driving to taking transit.

However, GO may not be able to continue bearing the brunt and softening the impact of costs on the passenger in future since these costs, such as fuel prices, keep escalating. The Government-imposed target of 65 per cent included a directive to review finances and operating costs annually and adjust fares accordingly to meet this goal.



A.F. LEACH
Managing Director
and Secretary



Auditors' Report

To the Members of the Toronto Area
Transit Operating Authority and
the Minister of Transportation
and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1981 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1981 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink that reads "Touche Ross & Co." in a cursive script.

Toronto, Ontario
June 4, 1981

Touche Ross & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act, 1974)

BALANCE SHEET AS AT MARCH 31, 1981
(In thousands of dollars)

Assets

	1981	1980
Current		
Cash	\$ 4,544	\$ 9,099
Accounts receivable	493	540
Due from the Province of Ontario	6,534	3,564
Spare parts and supplies	3,491	2,812
Prepaid expenses	246	142
	<u>15,308</u>	<u>16,157</u>
Fixed		
Land	22,218	20,817
Buildings and equipment (Note 2)	103,770	103,008
Leasehold improvements, net of accumulated amortization of \$50 (1980 - \$18)	750	338
Improvements to railway right of way and railway plant, net of accumulated amortization of \$4,892 (1980 - \$2,735)	38,404	31,218
Construction in progress		
Toronto Transportation Terminal Project (Note 3)	3,725	2,610
Milton Rail Project	31,273	13,180
Other	2,967	3,348
	<u>203,107</u>	<u>174,519</u>
	<u>\$218,415</u>	<u>\$190,676</u>


Liabilities


	1981	1980
Current		
Accounts payable and accrued liabilities	\$ 12,362	\$ 13,346
Unearned revenue in respect of tickets sold and not used	<u>355</u>	<u>355</u>
	12,717	13,701

Equity

Province of Ontario	<u>205,698</u>	<u>176,975</u>
	<u>\$218,415</u>	<u>\$190,676</u>

On behalf of the Members


.....Chairman


.....Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1981

(In thousands of dollars)

	1981	1980
Equity at beginning of year	\$176,975	\$134,228
Capital contribution from the Province of Ontario	38,471	51,490
	<u>215,446</u>	<u>185,718</u>
Amortization of capital contributions	9,748	8,743
Equity at end of year	<u>\$205,698</u>	<u>\$176,975</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1981

(In thousands of dollars)

Revenue	1981	1980
Commuter services	\$26,528	\$21,829
Other	2,697	2,700
	<u>29,225</u>	<u>24,529</u>

Expenses (Note 5)

Train and bus operations	41,140	33,340
Terminals and plant	21,078	17,211
General and administration	6,803	5,871
	<u>69,021</u>	<u>56,422</u>

Loss from operations

Operating subsidy from the Province of Ontario including amortization of capital contributions of \$9,748 (1980 - \$8,743)	39,796	31,893
	<u>39,796</u>	<u>31,893</u>

Net income for the year

\$ —	\$ —
------	------

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1981

(In thousands of dollars)

Source of funds	1981	1980
Capital contributions and operating subsidies from the Province of Ontario	\$68,519	\$74,640
Proceeds on disposal of fixed assets	17	320
	<u>68,536</u>	<u>74,960</u>

Application of funds

Loss from operations	39,796	31,893
Less items not requiring an outlay of funds		
Depreciation	(7,559)	(7,028)
Amortization of improvements to railway right of way and to railway plant	(2,157)	(1,697)
Amortization of leasehold improvements	(32)	(18)
Gain on disposal of fixed assets	—	185
	<u>30,048</u>	<u>23,335</u>

Capital expenditures

Land, buildings and equipment	9,736	29,911
Leasehold improvements	445	356
Improvements to railway right of way and to railway plant	9,345	21,472
Construction in progress		
Toronto Transportation Terminal Project	1,115	1,198
Milton Rail Project	18,093	12,905
Other	1,021	1,508
	<u>39,755</u>	<u>67,350</u>

Less payments made in previous years

	<u>(1,402)</u>	<u>(16,462)</u>
	<u>38,353</u>	<u>50,888</u>
	<u>68,401</u>	<u>74,223</u>

Increase in working capital

\$ 135	\$ 737
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See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1981

(In thousands of dollars)

1. Summary of significant accounting policies

a. General

The financial statements are prepared on the accrual basis using generally accepted accounting principles.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following annual rates on the straight-line basis:

Buildings and equipment	
Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%
Improvements to railway right of way and to railway plant	Varying rates between 5% and 33%
Leasehold improvements	5%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful life of the related asset.

2. Buildings and equipment

	1981			1980
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 26,536	\$ 3,252	\$ 23,284	\$ 20,801
Locomotive and auxiliary power control units	13,212	5,300	7,912	8,950
Other railway rolling stock	72,635	14,135	58,500	61,731
Buses	14,621	5,591	9,030	8,502
Parking lots	3,947	653	3,294	2,057
Sundry	2,374	624	1,750	967
	<u>\$133,325</u>	<u>\$29,555</u>	<u>\$103,770</u>	<u>\$103,008</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	January 1, 1979 to December 31, 1981
Travelways Maple Leaf Limited	October 26, 1980 to October 29, 1983
Charterways Transportation Limited	December 2, 1980 to December 1, 1982

5. Expenses

The details of expenses may be summarized as follows:

	<u>1981</u>	<u>1980</u>
Salaries, wages and fringe benefits	\$ 7,087	\$ 4,032
Payments to outside parties for operation of services	31,432	30,669
Fuel and oil	5,066	4,217
Other expenses	<u>8,851</u>	<u>3,282</u>
Total operating expenses before the undernoted items	52,436	42,200
Leases, rentals and user charges	6,837	5,479
Depreciation and amortization	<u>9,748</u>	<u>8,743</u>
Total expenses	<u>\$69,021</u>	<u>\$56,422</u>

Of the total expenses above, \$52,436 (1980 - \$42,200) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established as 65% of the recoverable expenses. In 1981, total revenue amounted to \$29,225 (1980 - \$24,529) and represents a recovery of 55.7%, (1980 - 58.1%) of the recoverable expenses.

6. Lease commitments

Long-term leases in effect at March 31, 1981 expire in varying periods from one to eighteen years and require minimum annual rental payments of \$1,200 for the next five years.

7. Capital commitments

The nature and amount of capital commitments undertaken by the Authority are outlined below:

Agreement for improvements to the rail right of way on the Streetsville / Milton corridor	\$13,500
Estimates of other costs associated with the improvements to the Streetsville / Milton corridor	4,300
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3, net of payments made to March 31, 1981	31,700
25 buses for delivery 1981-1982	4,500
Completion of the conversion of two locomotives to auxiliary power control units	<u>1,250</u>
	<u>\$55,250</u>

8. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

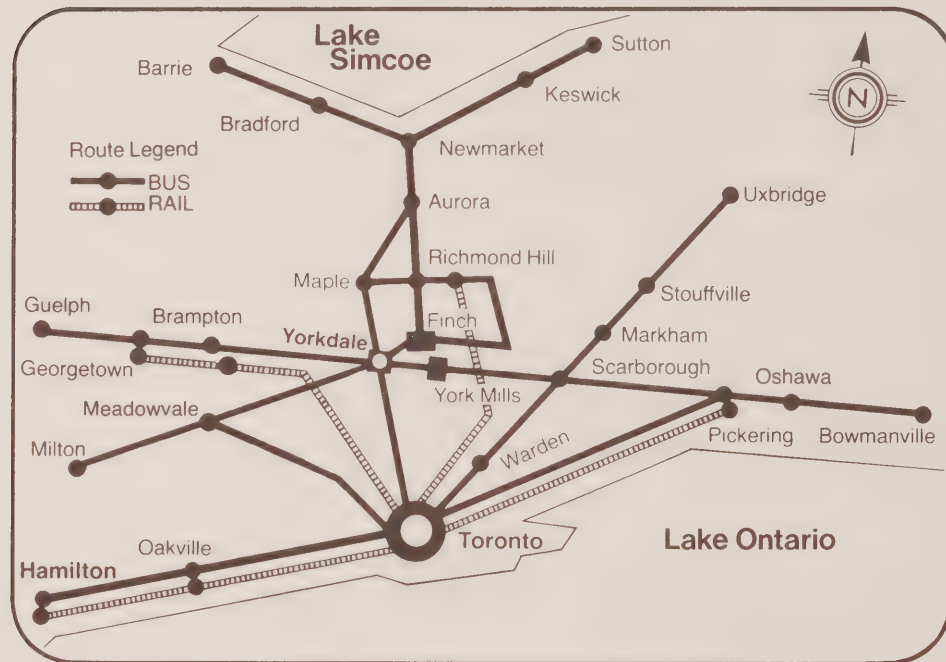
9. Comparative figures

Certain comparative figures have been changed to conform with the presentation adopted in 1981.

Summary of Sundry Revenue

(In thousands of dollars)

	<u>1981</u>	<u>1980</u>
Equipment rentals	1,498	1,659
Interest income	224	83
Advertising revenue	164	102
Gain on disposal of fixed assets	—	185
Other income	<u>811</u>	<u>671</u>
	<u>2,697</u>	<u>2,700</u>



Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is, for practical purposes, a voluntary association of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

B. FORHAN
Chairman, Council of
The Regional Municipality of York

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

G. HERREMA
Chairman, Council of
The Regional Municipality of Durham

J.N. RAFTIS
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

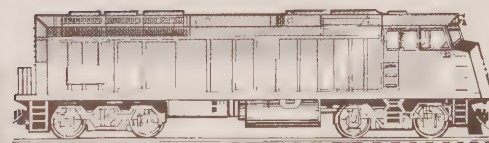
J.M. BURWELL
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

H.W. CLELLAND
Director, Engineering and Maintenance

G.E. MADDEN
Director, Marketing

D.A. SUTHERLAND
Director, Development and Special Projects





Ontario

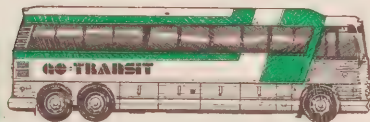
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Government
Publications



Annual Report

For the year ending March 31, 1982



 Toronto Area Transit Operating Authority
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2



GO TRANSIT

3625 Dufferin Street, Downsview, Ontario M3K 1Z2
(416) 630-0563 Telex 06-217535

23 August, 1982

The Honourable James W. Snow
Minister of Transportation
and Communications
Ferguson Block
Queen's Park
Toronto, Ontario
M7A 1Z8

Sir:

It is my honour, on behalf of the Members of the
Board, to present the 1981-82 annual report of the Toronto
Area Transit Operating Authority.

It is also my pleasure to extend our thanks to
you and your staff at the Ministry of Transportation and
Communications for your continuing co-operation and assistance.
It is my hope that this special relationship with GO Transit
will continue to grow.

Respectfully submitted,

L.H. Parsons.

L.H. Parsons
Chairman



Toronto Area
Transit
Authority

Chairman
L.H. Parsons
Vice-Chairman
W.H. H. H. H. H.
Regional Municipality of York

R.F. BEAN
Regional Municipality of Peel
B. FORDHAM
Regional Municipality of York

P.V. GORDON
Regional Municipality of York
G. H. H. H. H.
Regional Municipality of York

A. H. H. H.
Regional Municipality of York
Managing Director
R.T. 126



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416 953-2121

August 24, 1982

The Honourable John Black Aird
Lieutenant Governor of Ontario
Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

May It Please Your Honour:

I have the privilege of presenting for the information
of Your Honour and the Legislative Assembly the report
of the activities of the Toronto Area Transit Operating
Authority for the year ending March 31, 1982.

Very truly yours,

John Black Aird

John Black Aird
Lieutenant Governor of Ontario

Chairman's Summary

Fiscal 1981-82 was a critical period in the 14-year history of GO Transit.

Inflation gripped the nation, and GO could not escape the squeeze. Capital money was tight. Operating costs increased. The motivator which enticed commuters from the private car to public transit – rising fuel costs – was at the same time driving up the costs of running GO. Ridership growth, however, did not let up, nor did the demand for new or expanded services.

Despite these pressures, there was much of which to be proud.

The bus system strengthened its status as a full-fledged network in its own right, co-existing with and complementing the rail operation. Bus ridership outstripped rail again in terms of growth rate, continuing the trend set last year. The fleet grew accordingly, and the addition of 25 new MC9 coaches during the year enlarged the roster to 198 GO Buses – a far cry from the original 15 in

1970. Expansion plans focused on two busy terminals, Hamilton and Newmarket, and GO pressed on with the search for new sites for both.

The GO Train network expanded too with the introduction of service between Milton and Toronto and will grow again in the fall of 1982 with the takeover of two VIA Rail lines abandoned by the Federal Government. GO entered a new age of co-operation with VIA, permitting it to use Willowbrook Maintenance Depot under contract for the servicing of its new LRC trains. Agreement was reached with Hawker Siddeley for the manufacture of 71 second-generation bi-levels, nearly doubling the present fleet. The redevelopment of two important hubs continued with extensive construction at Oakville station and the downtown Toronto Transportation Terminal. And groundwork was laid for the possible electrification of the rail system.

Other important advances were made in the areas of fare integration, which became a permanent, integral part of GO Transit, and the TeleGO computerized information system, which came a step closer to reality.

There was a dark side to the picture, however.

The Lakeshore rail line reached saturation; many rush-hour trains were over capacity, with standees numbering up to a third as many passengers as there were seats for. The overcrowding was aggravated by performance problems during a severe winter, leaving many commuters disgruntled. GO recognized the importance of long-range plans, not stop-gap measures, to maintain the high standard of service for which it is reputed – and which its passengers have come to expect. Aware of the limits of the present system, GO therefore foresaw the need to take a long, hard look at the current reliance on a conventional

commuter rail system and the fact that there might be better alternatives which could provide, dollar for dollar, the kind of efficient transportation able to move the masses of people predicted for the turn of the century.

As GO Transit moves into this new era, I am confident that we will meet the challenges. I am confident that, despite the difficulties which lie ahead, staff will continue to display the dedication which has made GO what it is today. On behalf of the Board, I thank staff for their efforts – and I thank the private operators for their co-operation in providing what undoubtedly is one of the finest commuter systems in the world.

A handwritten signature in dark ink, reading "L.H. Parsons." The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

L.H. PARSONS
Chairman

Managing Director's Report

Fare Integration

The unqualified success of the fare integration experiment in Brampton and Oakville prompted GO to include the programme permanently in the system.

In May, the Board made fare integration available to any municipal transit system connecting with the GO Train, and in November, Mississauga Transit became the first to take advantage of the offer; by fiscal year end, staff discussions were being held with Burlington Transit to set up a programme in Burlington in the spring of 1982. Meanwhile, the experiment became permanent in Brampton (the original testing ground) and Oakville, drawing ever-increasing numbers of riders.

By integrating GO fares with those of the municipal systems, the programme allows passengers to transfer free, or at a substantial discount off the full combined fare, between the local bus and the GO Train (or connecting GO Bus) at the GO station. Its cost – loss of the local fare which would otherwise be collected – is shared 75-25 by GO and the municipality concerned; the municipality can choose, as Mississauga did, to recover its 25 per cent through a surcharge on the GO fare.

The programme's aim is to relieve parking lot overcrowding at GO stations by giving commuters the incentive to take transit all the way between home and destination. The local systems benefit too, recouping some of their investment through increased ridership.

Pay Parking

Charging commuters to park at GO lots was endorsed in principle by the Board and a preliminary design study authorized on parking control methods.

Faced with growing parking lot demand and congestion, the Board based its decision on the philosophy that passengers who drive and park should pay a fair share for the privilege to help offset the high cost of providing and maintaining parking space. The Board, in a related move, also made the fare integration incentive a permanent part of the system to encourage greater use of local transit to get to and from GO stations.

Preliminary studies and detailed design will be done in the 1982-83 fiscal year, with implementation scheduled for the fall of 1983.

Electrification

Studies continued for the possible electrification of the GO rail network.

Steering and technical committees made up of representatives of CN Rail, CP Rail, Ontario Hydro, the Ministry of Transportation and Communications and GO Transit began groundwork for the design phase, which was authorized by Cabinet last year.

At fiscal year end, the selection of a prime consultant for this phase from 12 consortiums of domestic and foreign engineering firms was in the final stages.



Electrified GO Trains possible for the future

Fare Collection

The first phase of GO's fare collection study was completed and one of its options, a self-serve system, was approved in principle by the Board.

Consultants proceeded with the second phase to develop the specifications and cost estimates for a test of a self-serve system on one of the rail lines. This phase of the study is scheduled for completion by the fall of 1982.

At the same time, GO began a separate

but related study to develop specifications for bus ticket-issuing equipment which will be compatible with the new system and replace the existing obsolete fare registers. This study is also scheduled to be finished by the fall of 1982.

These reviews are necessary to modernize and improve the efficiency of the present fare collection procedure, a manual system which has been in place since GO service began.

TeleGO

Testing of the TeleGO computerized information system was rescheduled for the summer of 1982 because of equipment problems, which were solved by fiscal year end.

Once in use, the system will provide accurate train arrival times in real time by continuously monitoring the exact location of every train in service. Besides improving the quality of service status information for passengers, Tele-

GO will be invaluable operationally, enabling GO staff to have an earlier awareness of service disruption than now.

The passenger information aspect of the system will be tested at Clarkson station on the Lakeshore line and can expand to encompass the rest of the GO rail network and the entire GO Bus system; as well, TeleGO can incorporate municipal transit systems integrated with the GO operation to provide joint service status information.

Rail Station Redevelopment

The extensive redevelopment of Oakville station was the major project this fiscal year, and parking lot expansions were carried out at Pickering, Burlington and Old Cummer stations.

GO's third busiest rail station, Oakville was the last Lakeshore station to be rebuilt since redevelopment of the line began in 1976. Work started in the summer of 1980, expanding parking capacity and improving access to the 13-acre station. The second phase, completed this January, gave commuters a new station building, two new bus loops and a new parking lot south of the

tracks, boosting capacity from 960 spaces before redevelopment to 1,350. Planned is a third phase to provide up to 1,800 spaces total as demand warrants.

Pickering station, the second busiest in the system after Union, underwent parking expansion to enlarge capacity by 280 spaces for a total of 1,600, completing the redevelopment which began in fiscal 1979-80.

The parking lot at Burlington station was also expanded, increasing capacity from 545 to 710 spaces; the project also increased the number of bus bays from seven to nine to accommodate Burlington Transit.

Parking lot expansion was also done at Old Cummer station on the Richmond Hill line, adding 110 spaces for a total of 350. This contract included remedial improvements to the parking lot at Langstaff.

During the fiscal year, engineering design was completed for parking lot expansions at Rouge Hill, Eglinton and Scarborough stations on the Lakeshore East – projects which will be undertaken in 1982-83 if capital funds are available.

GO Train 4

Carryover work on station and related CP Rail plant construction was undertaken during the fiscal year for the new GO Train service between Milton and Toronto.

Station construction was substantially complete for the October opening of the new service, with finishing touches carried out through the winter of 1981-82. Facilities on the 50-kilometre line provide commuters with parking for over 2,260 cars and platform waiting shelters for up to 1,000 passengers in all. (See Operation section of this report for service details.)

VIA Services Take-over

Early in the fall of 1982, GO Transit will take over commuter service on two of three VIA Rail lines abandoned by the Federal Government.

The take-over was announced in March in the Speech from the Throne at Queen's Park after repeated requests for Ottawa to retain these services had failed. GO will assume rail service on the Toronto-Stouffville line and on the Toronto-Barrie run as far north as Bradford.



Extensive Toronto Transportation Terminal redevelopment includes flyunder (left) for GO Trains

Toronto Transportation Terminal

Work continued on the extensive Toronto Transportation Terminal project.

Vital to future growth, the redevelopment is designed to meet the commuter demand expected through the end of the century by relieving rail traffic congestion and increasing the capacity of the downtown Toronto terminus and its western corridor approaches.

Passenger-handling capacity was in-

creased in the project's first phase, the new GO concourse in Union Station. Redevelopment of the 3.2-kilometre western approaches, the second phase, progressed on schedule during the fiscal year; this phase consists of the Bathurst North train storage yard finished last year, construction of a flyunder for GO Trains, widening of the track corridor and replacement of the existing outdated signal system.

The flyunder was completed in late 1981 and is scheduled to be fully operational in the spring of 1983; it will open up the bottleneck west of Union by carrying GO Trains under other rail traffic to and from the station, eliminating the major cause of present service delays.

All costs of the Toronto Transportation Terminal project are borne by the Province through GO.

Oshawa Rail Extension

The study on the feasibility of extending GO Train service east from Pickering to Oshawa was completed and at fiscal year end was in the hands of the Minister of Transportation and Communications.

Prepared with GO's input, it consisted of a joint investigation on ridership potential by Durham Region and the Ministry of Transportation and Communications and a detailed rail plant cost study by CN Rail based on providing five-train peak-hour service.

Environmental Assessment

The Province's Environmental Assessment Act requires public agencies like GO Transit to address the environmental impacts which development and engineering projects might have on the natural or social environment.

In April, the Ministry of the Environment approved four Environmental Assessment Class Documents prepared by GO to commit itself to a consistent line of action in the development and construction of such commuter facilities as bus terminals, rail stations, parking lots and maintenance facilities. The documents also commit GO to accept responsibility

for measures to mitigate any negative environmental effects which these projects might have – action which is carried out in co-operation with the MOE.

Each major project, whether a Class project or not, is investigated thoroughly by qualified personnel, and government agencies, municipal authorities and the public are made aware of the proposed plans and given the opportunity to object or provide input.

Accessibility Improvements

GO Transit continued improving accessibility and services for physically-handicapped persons.

During the fiscal year, it began providing reserved parking spaces for handicapped persons at its rail stations and bus terminals; its new MC9 buses were manufactured with extra handrails in the entrances to assist handicapped and elderly passengers; and special pay phones with volume control handsets for the hearing-impaired were installed in Union Station.

Other improvements will be made when feasible, and GO and the Ministry of Transportation and Communications will continue examining means of improving service for individuals with special mobility needs.

Newmarket Bus Terminal

GO continued with plans to relocate its bus terminal and garage in Newmarket to separate, larger sites.

The terminal and garage at present are both under one roof in what used to be a car dealership on Highway 11 south of Davis Drive. GO has outgrown the facilities, which are housed on approximately three acres of land – and passenger demand is expected to keep increasing as the busy North Yonge corridor grows.

During the fiscal year, GO bought a 13-acre site for the new bus storage and maintenance garage on Highway 11 about a mile north of the present terminal. At fiscal year end, land exchange negotiations with a local developer were under way for property for the bus terminal in the vicinity of the intersection of Highways 9 and 11; construction is planned for 1982-83. The garage project, consisting of first-phase outside storage only, will be designed and possibly built in the 1982-83 fiscal year also.



Steeprock Bus Garage was expanded to increase capacity and utilization

Hamilton Bus Terminal

GO Transit revived its search for a site for a new bus terminal in downtown Hamilton.

Deferred in 1979 pending route alignment of an intermediate capacity transit system (ICTS) for the city, the search was renewed when, during this fiscal year, the Region of Hamilton-Wentworth

decided against building an ICTS. The plan had been to integrate the new GO terminal with one of the ICTS stations for maximum passenger benefit.

The revived site selection study is being done with the co-operation of both the Region and the City of Hamilton and is expected to be completed by the fall of 1982.

Steeprock Bus Garage

Outdoor bus storage capacity was increased at Steeprocks Bus Garage, which opened in 1979.

The work enlarged outdoor storage to hold 33 more buses for a total of 84; also, three bus hoists were added inside to increase utilization of the facilities.

OPERATION

Ridership

Continuing the trend set last fiscal year, the bus system surpassed rail again in ridership growth rate. The percentage increase in passenger volume, however, dropped almost to the level of the 1979-80 fiscal year after a healthy jump in 1980-81.

Bus ridership increased by 9.3 per cent over the previous fiscal year, compared to 11 per cent in 1980-81; rail ridership increased by only 5.4 per cent, compared to almost 8 per cent the year before; and the combined carryings increased by 6.9 per cent, compared to 9 per cent in 1980-81 and 5.3 per cent in 1979-80.

At fiscal year end the average weekday ridership was about 81,800 passenger trips, compared to 73,500 and 67,000 in the previous two fiscal years. GO Trains accounted for 50,300 trips and GO Buses for nearly 31,500 (see graph).

The bus system, which carried over nine million passengers during the fiscal year, experienced significant increases in

several corridors. Growth was as high as 35 per cent in some months in the Brampton/Bramalea-Toronto corridor again, and increases of between 10 and 20 per cent were recorded in the Newmarket-Toronto, North Yonge, Markham-Toronto and Oshawa-Toronto corridors.

Growth in the rail system occurred mainly in the Richmond Hill and Georgetown corridors, while the Lakeshore line was almost stagnant – and probably at capacity. Passenger carryings totalled 13.2 million, of which 365,000 trips were on the new GO Train 4 service which commenced in late October.

Service for Special Events

Demand was strong throughout the fiscal year for Exhibition GO Train service, although summer ridership was considerably lower than last year.

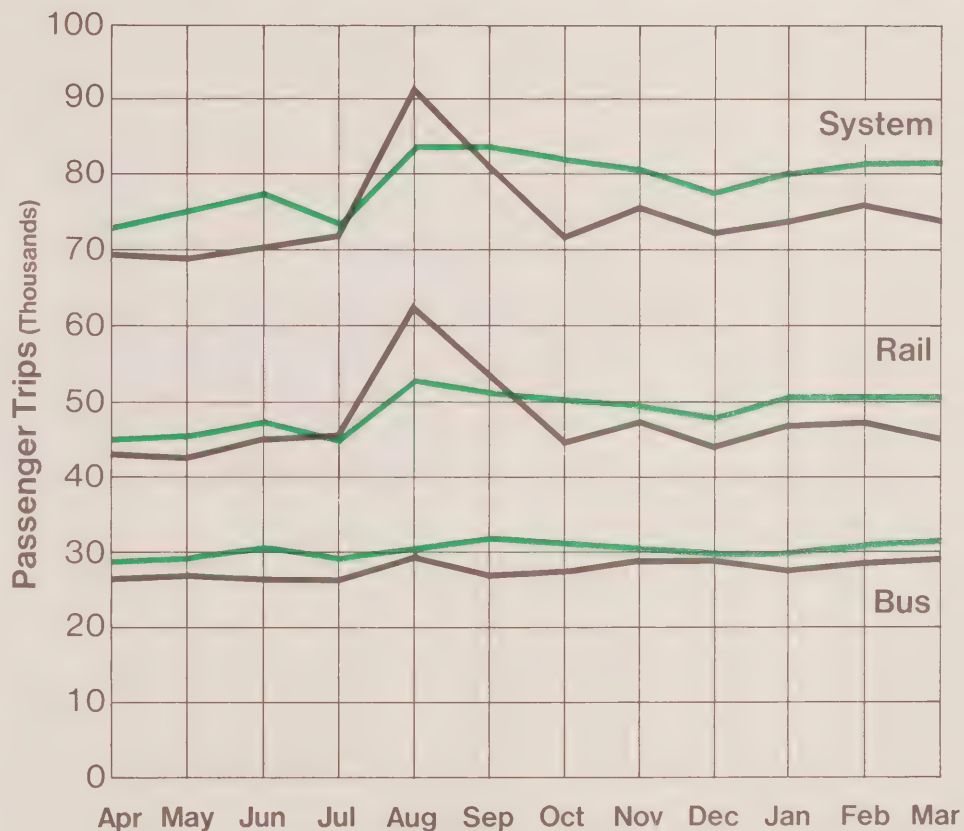
As usual, regular hourly GO Trains served Exhibition station daily from May through September – and for special events as required during the rest of the year.

Exhibition station ridership dropped in July and August, and Canadian National Exhibition attendance and GO's CNE ridership declined the third year in a row. During the CNE in August-September, GO handled 475,549 passenger trips at Exhibition station, 12 per cent less than last year's 541,842. CNE attendance itself was down by 2 per cent to just under three million, while GO's percentage of the CNE gate dropped to 7.6 per cent.

Bad weather at the beginning of September, the baseball strike and the fact that there was no Argonaut home game during the CNE were the main reasons for the decline in GO ridership.

Ridership was greater than projected in another area: the special bus shuttle which GO operated for Canada's Wonderland, opening for its first season in May. From May through season closing in September, the daily half-hourly service carried approximately 254,000 passengers between the park and York Mills/Yorkdale.

Average Weekday Ridership



— 1981-82
— 1980-81

Corridor	Passengers Carried (Thousands)		Route Kilometres Operated		Kilometres Operated (Thousands)	
	1981-82	1980-81	1981-82	1980-81	1981-82	1980-81
Rail						
Lakeshore	11,012	10,833	97	97	1,230	1,180
Georgetown	1,288	1,206	47	47	112	109
Richmond Hill	537	492*	34	34	93**	49
Milton	365	—	50	—	49	—
Total	13,202	12,531*	228	178	1,484	1,338
Bus						
Hamilton	2,229	2,205	178	209	3,776	3,582
Milton	248	287	60	169	682	822
Georgetown	1,118	975	220	224	2,002	1,754
Newmarket	3,379	3,032	364	364	3,101	2,951
Uxbridge	134	112	148	148	404	389
Oshawa	1,972	1,693	237	213	2,068	1,873
Total	9,080	8,304	1,207	1,327	12,033	11,371
System	22,282	20,835*	1,435	1,505	13,517	12,709

*Adjusted from 1980-81 annual report

**Non-revenue kms included; not shown in previous years' reports



The MC9: newest addition to GO Bus fleet

Bus Fleet

Twenty-five MC9 buses were manufactured for \$4,533,900 by Motor Coach Industries in Winnipeg, enlarging the GO Bus fleet to 198.

Designed to GO's specifications, the new buses went into service immediately on delivery in December-January to bring relief to busy routes. They lived up to expectations, logging over 11,000

kilometres a month each, more than double the fleet average. Many of the buses are being used on the City Link express run between Hamilton and Toronto.

The MC9s feature several improvements for comfort and ease of maintenance, and five of the buses are equipped with six-cylinder engines to test fuel economy. All are outfitted with two-way UHF radios, like the rest of the GO Bus fleet.

Bus Operations

Several major adjustments to GO Bus service were made during the year.

In April, a major rescheduling of express bus service between downtown Hamilton and downtown Toronto virtually doubled the existing frequency. Dubbed City Link, the upgraded service brought improvements to the vast majority of passengers.

The Northwest corridor was revamped in June, generally providing more, and faster, service than before in response to the substantial growth in ridership between Brampton/Bramalea and Yorkdale/York Mills in north Metro Toronto.

In connection with the advent of GO Train 4, several revisions were made in October to bus service which had been designed to serve the Milton/Meadowvale/Streetsville/Cooksville area until rail service could be provided. Discontinued were GO Bus service between Woodchester Mall/Cooksville/Applewood Acres and downtown Toronto and service between Milton/Meadowvale/Streetsville and downtown Toronto. At the same time, semi-express bus service between Milton/Meadowvale and Yorkdale/York Mills was expanded,

with a modified route serving the new Milton and Meadowvale rail stations.

The Queen Elizabeth Way express buses between Oakville and downtown Toronto were discontinued, conforming with GO policy not to duplicate its own rail or TTC subway service. The October schedule revisions also upgraded Newmarket-Finch service in the North Yonge corridors to all-day half-hourly frequency. Changes were also made to the Yorkdale/York Mills-Pickering/Oshawa Highway 2 service to improve performance and connections with the train at Pickering.

By fiscal year end plans were under way to implement major restructuring of the Newmarket and Oshawa corridors in April, 1982.

GO Train 4

GO Train 4, GO's fourth rail service, opened on schedule to link downtown Toronto with the rapidly-growing areas of Peel and Halton Regions to the west.

More than 4,000 spectators turned out for the October 25 inaugural run consisting of ceremonies at each station en route and the official opening at Union Station.

The first day of revenue service, October 26, accounted for just over 3,000 passenger trips, a total which climbed past the 3,100 mark daily by the end of December and reached 3,800 by the end of the fiscal year. The strongest showing was at Milton station, the line's western terminus, where ridership immediately after the opening was already double the figure predicted for 1986.

Costing \$60 million – funded entirely by the Province through GO – the new service is operated under contract by CP Rail on its right-of-way, which has been extensively upgraded to handle commuter rail traffic.

Service consists of three rush-hour trains into Union Station in the morning and three returning home at night every weekday, a frequency designed to increase to five trains each way as ridership grows. Stations are at Milton, Meadowvale, Streetsville, Erindale, Cooksville, Dixie and Kipling, the last connected directly to the TTC subway for easy access to central Toronto.

Energy Conservation

Faced with rising fuel and hydro costs, GO continued its energy conservation programme where practical.

The shutting down and wayside heating of out-of-service trains continued at Willowbrook Maintenance Depot and Georgetown station. Wayside power was installed for trains on the new GO Train 4 service laying over at Guelph Junction. And plans were made to equip the Bathurst North yard just west of Union Station with wayside power in future and to complete a complementary programme for the installation of layover equipment in locomotives and APCUs.

Radial tires were installed on all inter-city type GO Buses during the fiscal year to improve fuel economy and increase tire life.

Energy-conserving measures were also implemented in the design and construction of all new GO buildings.

Rolling Stock

Agreement was reached with Hawker Siddeley Canada Inc. for the manufacture of 71 bi-level rail cars to increase the fleet to 151 bi-levels and 122 single-levels.

Consisting of 56 coaches and 15 cab cars, the new equipment will be built in Thunder Bay to GO's specifications for delivery in 1983 and early 1984. The order is valued at \$66.4 million with provision for inflation.

The second-generation bi-levels will incorporate several major design improvements, and at fiscal year end the project was in the pre-production design stages.

Labour Relations

The first collective agreement between GO Transit and Local 1587 of the Amalgamated Transit Union was successfully negotiated and ratified. About 325 employees are represented by Local 1587, which is the exclusive collective bargaining agent for all GO employees except supervisors, foremen, employees above these ranks, and office and technical staff.

Fare Increase

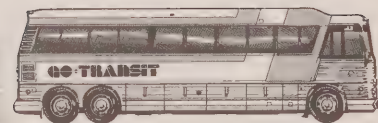
Fares went up on July 1 by amounts calculated to increase farebox revenue by about 18 per cent.

The increase was necessary to meet soaring costs, especially for labour and fuel. In the 15 months since the last fare revision, GO's diesel fuel costs alone jumped 53 per cent, while other costs continued to climb. Government policy set in 1977 directs GO to recover 65 per cent of its operating costs through ticket revenue and to review and adjust fares annually to meet this target.

The increase raised the basic charge from 25 to 30 cents and the distance charge, which is levied after the base is applied, from 3.9 to 4.5 cents a kilometre; there was also a slight lowering of the discounts offered for 10-ride tickets and monthly passes.



A.F. LEACH
Managing Director
and Secretary



Auditors' Report

To the Members of the Toronto Area Transit Operating Authority and the Minister of Transportation and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1982 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink, reading "Touche Ross & Co." in a cursive script.

Toronto, Ontario
June 18, 1982

Touche Ross & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act, 1974)

BALANCE SHEET AS AT MARCH 31, 1982

(In thousands of dollars)

Assets

	<u>1982</u>	<u>1981</u>
Current		
Cash	\$ 10,884	\$ 4,544
Accounts receivable	1,127	493
Due from the Province of Ontario	5,755	6,534
Spare parts and supplies	2,597	3,491
Prepaid expenses	263	246
	<u>20,626</u>	<u>15,308</u>
Fixed		
Land	23,899	22,218
Buildings and equipment (Note 2)	102,207	103,770
Leasehold improvements, net of accumulated amortization of \$83 (1981-\$50)	718	750
Improvements to railway right of way and railway plant, net of accumulated amortization of \$9,537 (1981-\$4,892)	85,117	38,404
Construction in progress		
Toronto Transportation Terminal Project (Note 3)	10,666	3,725
Milton Rail Project	—	31,273
Bi-level Commuter Cars	9,215	—
Other	2,980	2,967
	<u>234,802</u>	<u>203,107</u>
	<u>\$255,428</u>	<u>\$218,415</u>

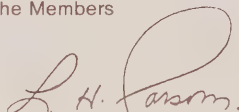
Liabilities

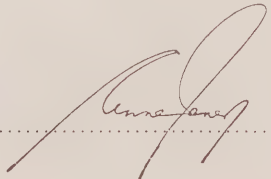
	<u>1982</u>	<u>1981</u>
Current		
Accounts payable and accrued liabilities	\$ 18,272	\$ 12,362
Unearned revenue in respect of tickets sold and not used	<u>546</u>	<u>355</u>
	18,818	12,717

Equity

Province of Ontario	<u>236,610</u>	<u>205,698</u>
	<u>\$255,428</u>	<u>\$218,415</u>

On behalf of the Members


 Chairman


 Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1982

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
Equity at beginning of year	\$205,698	\$176,975
Capital contribution from the Province of Ontario	44,651	38,471
	<u>250,349</u>	<u>215,446</u>
Amortization of capital contributions	13,739	9,748
Equity at end of year	<u>\$236,610</u>	<u>\$205,698</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1982

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
Revenue		
Commuter services	\$32,621	\$26,528
Other	3,243	2,697
	<u>35,864</u>	<u>29,225</u>
Expenses (Note 5)		
Train and bus operations	52,628	40,553
Terminals and plant	23,790	19,888
General and administration	11,181	8,580
	<u>87,599</u>	<u>69,021</u>
Loss from operations	51,735	39,796
Operating subsidy from the Province of Ontario including amortization of capital contributions of \$13,739 (1981 - \$9,748)	51,735	39,796
	<u>\$ —</u>	<u>\$ —</u>
Net income for the year		

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1982

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
Source of funds		
Capital contributions and operating subsidies from the Province of Ontario	\$82,648	\$68,519
Proceeds on disposal of fixed assets	—	17
	<u>82,648</u>	<u>68,536</u>
Application of funds		
Loss from operations	51,735	39,796
Less items not requiring an outlay of funds		
Depreciation	(7,945)	(7,559)
Amortization of improvements to railway right of way and to railway plant	(4,702)	(2,157)
Amortization of leasehold improvements	(32)	(32)
	<u>39,056</u>	<u>30,048</u>
Capital expenditures		
Land, buildings and equipment	8,124	8,334
Leasehold improvements	—	445
Improvements to railway right of way and to railway plant	14,596	9,345
Construction in progress		
Toronto Transportation Terminal Project	6,941	1,115
Milton Rail Project	3,748	18,093
Bi-level Commuter Cars	9,215	—
Other	1,751	1,021
	<u>44,375</u>	<u>38,353</u>
	<u>83,431</u>	<u>68,401</u>
(Decrease) increase in working capital	<u>(\$ 783)</u>	<u>\$ 135</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1982
(In thousands of dollars)

1. Summary of significant accounting policies

a. General

The financial statements are prepared on the accrual basis using generally accepted accounting principles.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following annual rates on the straight-line basis:

Buildings and equipment	
Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%
Improvements to railway right of way and to railway plant	
Leasehold improvements	Varying rates between 5% and 33% 5%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful lives of the related assets.

2. Buildings and equipment

	1982		1981	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 26,792	\$ 4,553	\$ 22,239	\$ 23,284
Locomotive and auxiliary power control units	14,678	6,563	8,115	7,912
Other railway rolling stock	72,650	17,368	55,282	58,500
Buses	18,696	7,203	11,493	9,030
Parking lots	4,147	909	3,238	3,294
Sundry	2,755	915	1,840	1,750
	<u>\$139,718</u>	<u>\$37,511</u>	<u>\$102,207</u>	<u>\$103,770</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	Expired December 31, 1981, renewal under negotiation
Travelways Maple Leaf Limited	October 26, 1980 to October 29, 1983
Charterways Transportation Limited	December 2, 1980 to December 1, 1982
Canadian Pacific Limited	October 26, 1981 to October 25, 1991

5. Expenses

The details of expenses may be summarized as follows:

	<u>1982</u>	<u>1981</u>
Salaries, wages and fringe benefits	\$10,336	\$ 7,087
Payments to outside parties for operation of services	34,175	31,432
Fuel and oil	8,048	5,066
Other expenses	12,971	8,851
Total operating expenses before the undernoted items	65,530	52,436
Leases, rentals and user charges	8,330	6,837
Depreciation and amortization	13,739	9,748
Total expenses	<u>\$87,599</u>	<u>\$69,021</u>

Of the total expenses above, \$65,530 (1981 - \$52,436) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established as 65% of the recoverable expenses. In 1982, total revenue amounted to \$35,864 (1981 - \$29,225) and represents a recovery of 54.7% (1981 - 55.7%) of the recoverable expenses.

6. Lease commitments

Long-term leases in effect at March 31, 1982 expire in varying periods

from one to seventeen years and require the following minimum annual rental payments over the next five years:

1982-1983	\$845	1985-1986	\$322
1983-1984	573	1986-1987	291
1984-1985	538		

7. Capital commitments

The nature and amount of capital commitments undertaken by the Authority, net of payments made to March 31, 1982, are outlined below.

Agreement for improvements to the rail right of way on the Streetsville/Milton corridor	\$ 3,724
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3	23,050
71 Bi-level Commuter Cars for delivery 1983-1984	70,645

8. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

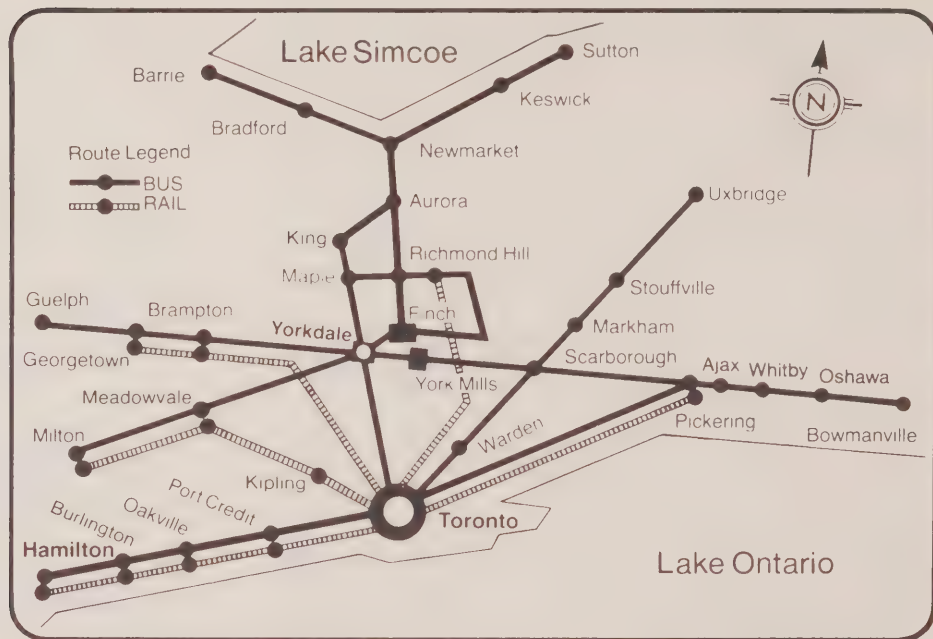
9. Comparative figures

Certain comparative figures have been changed to conform with the presentation adopted in 1982.

Summary of Sundry Revenue

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
Equipment rentals	\$1,139	\$1,498
Interest income	445	224
Advertising revenue	246	164
Other income	1,413	811
	<u>3,243</u>	<u>2,697</u>



March 31, 1982

Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is, for practical purposes, a voluntary association of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

B. FORHAN
Chairman, Council of
The Regional Municipality of York

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

G. HERREMA
Chairman, Council of
The Regional Municipality of Durham

J.N. RAFTIS
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

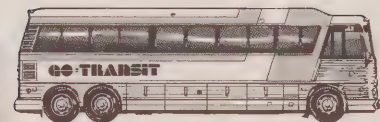
J.M. BURWELL
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

H.W. CLELLAND
Director, Engineering and Maintenance

H.D. MOSHER
Director, Services

D.A. SUTHERLAND
Director, Development and Special Projects





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Annual Report

For the year ended March 31, 1983



Toronto Area Transit Operating Authority



GO TRANSIT

555 Wilson Avenue Downsview, Ontario M3H 5Y6
(416) 630 5220 Telex 06-217508

August 24, 1983

The Honourable James W. Snow
Minister of Transportation
and Communications
Ferguson Block
Queen's Park
Toronto, Ontario
M7A 1A8

Dear Mr. Minister:

It is my honor, on behalf of the Members of the Board, to present the 1982-83 annual report of the Toronto Area Transit Operating Authority.

It is also my pleasure to extend our thanks to you and your staff at the Ministry of Transportation and Communications for your continuing co-operation and assistance, a special relationship which we at GO Transit hope will continue to grow.

Respectfully submitted,

L.H. Parsons
Chairman



Toronto Area
Transit
Operating
Authority

Chairman
L. H. PARSONS
Vice-Chairman
MRS. J. A. JONES
Regional Municipality of
York

P. F. BEAN
Regional Municipality of Peel
B. FORMAN
Regional Municipality of York

P. V. GOFFREY
Municipality of Metropolitan Toronto
S. KERREMA
Regional Municipality of Durham

J. N. SMITH
Regional Municipality of Halton
Managing Director
A. T. LEACH



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416-965-2101

August 25, 1983

The Honourable John Black Aird
Lieutenant Governor of Ontario
Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

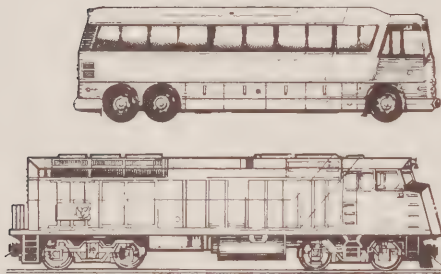
May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour and the Legislative Assembly the report of the activities of the Toronto Area Transit Operating Authority for the year ending March 31, 1983.

Respectfully submitted,

James W. Snow
Minister

Chairman's Summary



It was a year notable for both retrenchment and a bold step forward.

The recession had left its mark, affecting GO like every other transit property in North America. Despite signs of economic recovery, Government fiscal restraint remained the order of the day. Tight money forced the shelving of numerous capital projects, including badly-needed parking lot expansions. Operating economies, always a priority, took on new significance, and GO continued to seek and implement ways to keep operating costs to a minimum without sacrificing the high standard of service the public had come to expect.

In the midst of this belt-tightening came some bright news for commuters. Halfway through the year, in October, the Province unveiled its long-range inter-regional transit strategy for the greater Toronto area: a far-reaching plan calling for the development of Advanced Light Rail Transit service for GO. No mere fancy catchword, GO-ALRT is a serious answer to a serious problem, the culmination of a long, hard look at the alternatives available to meet the challenges of the next few decades.

I will not dwell here on details of the new system, which can be found inside this report, but wish to elaborate instead on the tremendous significance of the strategy. By opting for light rail transit, the Province embarks on a new era for GO, much as it did in the mid-1960s when, in another pioneering move, it established GO in the first place, becoming the first provincial government in Canada to create and fund an interregional public transit system. GO Transit has flourished in the 16 years since the first GO Train ran along the Lakeshore and has become an extensive, integrated rail and bus network transporting millions of passengers a year.

But what was ideal at the outset has proven otherwise in the 1980s. The success of the service ironically created a millstone; its very popularity has severely strained its capacity. Concerned that the existing operation would not be able to handle the future's great demands, the Government searched for the most efficient alternative means of transporting masses of commuters for the maximum return on its investment.

GO-ALRT, in a nutshell, is the outcome of

these investigations, and it is a radical change in philosophy for GO. Essentially, GO will be operating its own rail service. The existing, conventional operation on trackage owned and controlled by the railways just cannot expand any more without further massive capital expenditure by the Province; even if the necessary capacity can be found on lines already heavily used by freight and intercity passenger train traffic, pouring money into something the Province does not own simply does not make sense.

With ALRT, however, the Province is in the driver's seat. It will own and control the rights-of-way exclusively for GO service: crucial to expanding capacity to meet demand. Naturally, GO-ALRT service will not be inexpensive to develop, requiring substantial Provincial funding, but it is by far the most cost-effective solution feasible, considering today's limited financial resources. The Government has wasted no time putting its commitment into action, and GO and the Ministry of Transportation and Communications — joint custodians of the extensive project — began planning shortly after the strategy was announced. By fiscal year end preliminary design for

the first phase of the new network (the Hamilton and Oshawa extensions of rail service) was well under way.

It will take, of course, a few years for this phase to become operational, and several more for the system to develop to the fullest as envisaged. Meanwhile, GO will continue improving and, where possible, expanding its existing bus and rail network to meet immediate requirements.

Without detracting from the importance of other projects, I would like to highlight the major developments of the past fiscal year. Ridership on the system continued to increase, albeit at a slower pace than in previous years. GO refined the bus network further, revamping the Newmarket and Oshawa corridors to improve service; the populous North Yonge corridor also benefited with the opening of a new GO Bus terminal for Newmarket, the first owned and built by GO. The Bradford and Stouffville rail services taken over from VIA commenced operation, enlarging the GO Train network to six corridors. And further strides were made in the area of fare integration, GO's incentive for commuters to take public transit all the way between home and destination. Details of these and

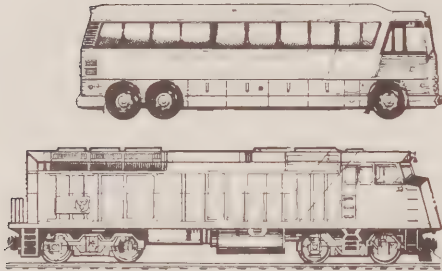
other undertakings follow in the main body of this report.

Internally, the big change was the relocation of head office to much larger premises, consolidating staff once again. As GO enters an exciting, new era, I would like on behalf of the Board to thank all staff for their dedication and efforts in making these developments possible. I would also like to acknowledge the contributions of the contract operators of the rail and bus services, with whom GO's relationship has never been better. I am confident all will keep working closely together to provide the finest service possible.

A handwritten signature in dark ink, appearing to read "L.H. Parsons". The signature is fluid and cursive, with a large, stylized "P" and "S".

L.H. PARSONS
Chairman

Managing Director's Report



Ridership

Total system passenger carryings increased over the previous fiscal year, but the growth rate slowed down for the second successive year.

Economic factors probably played a large part in the slow growth, with the recession affecting job opportunity expansion and consequently reducing the demand for public transit for the labor force. Nevertheless, the very fact that GO's system carryings increased at all was encouraging considering the declines experienced in recent years by other transit systems across North America.

Combined rail and bus carryings increased from almost 22.3 million passengers in fiscal 1981-82 to just over 23 million in 1982-83, with rail ridership accounting for nearly 13.6 million passengers and bus for 9.5 million. At fiscal year end the system's average weekday ridership was 83,750 passenger trips, compared to 81,700 and 73,500 for the previous two fiscal years; GO Trains accounted for 50,350 trips, virtually no increase from the previous fiscal year end, and GO Buses were responsible for 33,400 trips, compared to 31,400 for 1981-82. (See graph.)

The percentage increase in passenger volumes, however, was smaller than that of the previous fiscal year. Again, the bus system surpassed rail in ridership growth rate, continuing the trend of the past two fiscal years: bus passenger carryings for the year increased by 4.7 per cent over the previous fiscal year, while rail carryings grew by 2.9 per cent and the system total by 3.6 per cent. In comparison, the percentage increase for 1981-82 over 1980-81 was 9.3 per cent for bus, 5.4 for rail and 6.9 for the combined systems.

The largest increases in the bus system occurred again in four of the previous

year's five growth corridors: Brampton/Bramalea-Toronto, Newmarket-Toronto, North Yonge and Oshawa-Toronto.

In the rail network, ridership declined slightly in the Lakeshore and Georgetown corridors and by just over 5 per cent on the Richmond Hill line; the Milton line, launched in October 1981, experienced its first full fiscal year of operation while the new Bradford and Stouffville corridors were in operation for only the last seven months of the fiscal year.

Rail Operations

The GO rail operation both expanded and refined service during the fiscal year.

GO Train service for Bradford and Stouffville commenced at the beginning of September, ensuring the continuation of transportation for commuters in these corridors (see separate item).

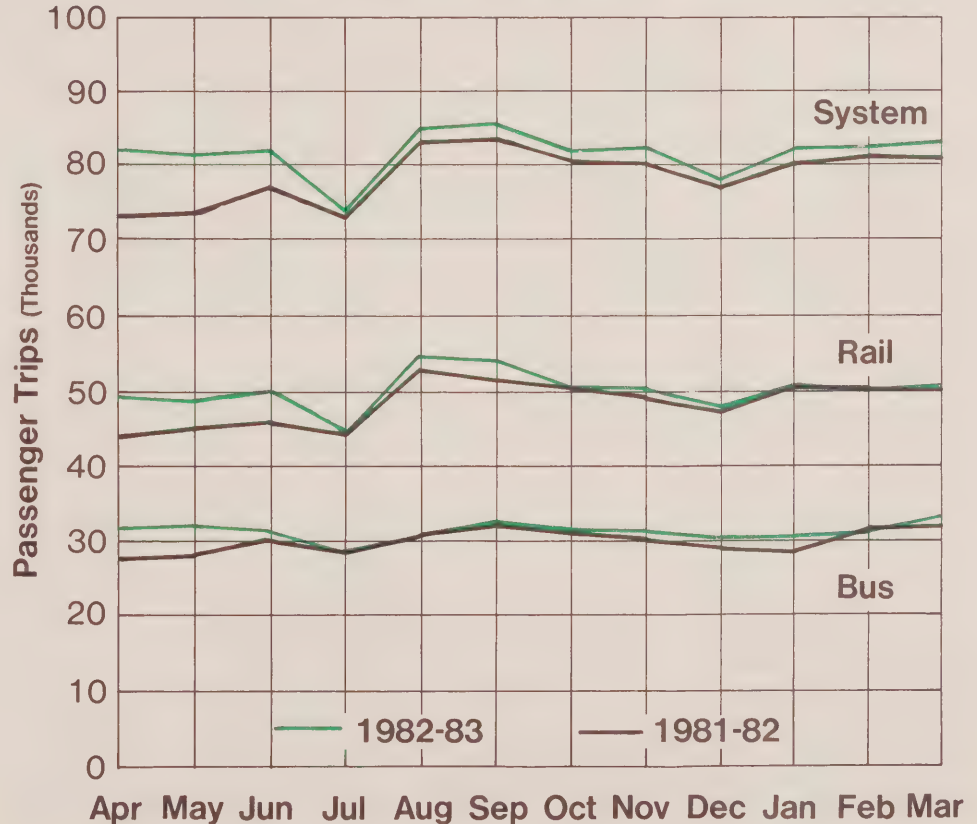
The "Port Credit turn" went into effect in late September, relieving overcrowding on the Lakeshore West through the operation of a morning rush-hour trip with two trains instead of one. With no change in departure schedules, one train now runs express from Oakville and

Clarkson to Toronto, while the other operates locally from Port Credit into Union Station. By doubling up, GO — in co-operation with CN Rail — managed to increase capacity on one of the most heavily patronized trips in the system.

Certain Lakeshore trains were cut back from double- to single- locomotive operation for savings in operating and maintenance costs. The second locomotive on these trains had been added when, because of expanding ridership, the number of cars had been increased to the point that a single locomotive was unable to meet schedule; elimination of the second locomotive required close work between GO and CN on schedule adjustments that a single locomotive could meet with minimal inconvenience to passengers.

GO and CN also worked closely to improve winter performance. Train operations over the winter of 1981-82 had been affected badly by a long period of unusually inclement weather, and, as a result of this substandard performance, CN and GO undertook a comprehensive review to pinpoint causes of delay and establish preventive measures. The study

Average Weekday Ridership



recommended widely-ranging procedural changes, which were implemented in time for the winter of 1982-83.

A measure of the success of this program was the performance of the Georgetown line, which had been hardest hit in 1981-82: the monthly average on-time percentage improved from as low as 37 per cent in February 1982 to 95 per cent in February 1983 for morning trains, and from 61 per cent in March 1982 to 97 per cent in both January and February of 1983 for evening trains. The mild winter of 1982-83, of course, was partly responsible for the performance improvement, but no weather-related delays were encountered during the stormy weather that did occur.



Bradford & Stouffville GO Train Services

The GO Train network expanded to six corridors in September with the addition of the Bradford and Stouffville services.

GO Transit inaugurated commuter rail service on these two lines on September 7, ensuring continued transportation for hundreds of passengers marooned by the canceling of VIA Rail service in the corridors. GO retained the routing, station locations and schedule of the VIA operation, providing one round-trip train every weekday on each line.

The Stouffville GO Train links Union Station with Agincourt, Milliken, Unionville, Markham and Stouffville, with connecting GO Bus service through to Uxbridge

until its cancelation in March because of poor patronage; the Bradford service connects Toronto Union with Maple, King City, Aurora, Newmarket and Bradford, with GO Bus connection through to Barrie. By fiscal year end each service was carrying an average 700 passengers every weekday.

The VIA stations taken over by GO were upgraded before service inception for the GO Train type of commuter operation, with all stops incorporating a standard, paved platform for access along the entire train length. General improvements were made to existing station buildings, and new ticket kiosks were erected at King City, Unionville and Milliken stations to meet service needs.

Part of the work not completed in the 1982-83 fiscal year will be done in fiscal 1983-84 in a carryover program to install wayside power for laying over out-of-service trains at the Bradford and Stouffville termini. Also, some general improvements will be made to the existing gravel parking lots during 1983-84.

Inaugural GO Train pulling into Stouffville on the morning of September 7

	Passengers Carried (Thousands)		Route Kilometres Operated (At year end)		Kilometres Operated (Thousands)	
	1982-83	1981-82	1982-83	1981-82	1982-83	1981-82
Corridor						
Rail						
Lakeshore	10,702	11,012	97	97	1,691	1,230
Georgetown	1,272	1,288	47	47	118	112
Richmond Hill	507	537	34	34	99	93
Milton	902	365	50	50	112	49
Bradford	101	—	67	—	23	—
Stouffville	96	—	46	—	33	—
Total	13,580	13,202	341	228	2,076	1,484
Bus						
Hamilton	2,130	2,229	178	178	3,734	3,776
Milton	157	248	60	60	426	682
Georgetown	1,237	1,118	217	220	2,242	2,002
Newmarket	3,731	3,379	323	364	3,537	3,101
Uxbridge	134	134	148	148	399	404
Oshawa	2,118	1,972	172	237	2,541	2,068
Total	9,507	9,080	1,098	1,207	12,879	12,033
System	23,087	22,282	1,439	1,435	14,955	13,517

Bus Operations

The Newmarket and Oshawa bus corridors underwent major restructuring to improve service for the majority of passengers.

In the Newmarket corridor, changes included increasing rush-hour frequency in North Yonge C service for Richmond Heights and Hillcrest Mall; increasing frequency and capacity of Newmarket B service, including weekday expresses; eliminating Highway 400 downtown Toronto service in line with GO's policy of not duplicating TTC service with GO Bus service and, in conjunction with this move, upgrading express service between Newmarket and Yorkdale, the new terminus of all former downtown trips; and operating the train meets for the Richmond Hill rail line as a service separate from A service and extending to Bradford.

Changes in the Oshawa corridor included increasing rush-hour, weekday and Saturday frequency of the Oshawa-Pickering-Yorkdale service and the Highway 2 service between Pickering station and Ajax/Whitby; introducing new peak-period service between Pickering and Ajax, increasing capacity

through Pickering Village; and discontinuing downtown Toronto service via Kingston Road.

In conjunction with the new Bradford and Stouffville rail services, train-meet trips began operating in September between Bradford and Barrie and between Stouffville and Uxbridge; the latter connection was discontinued six months later because of low ridership.



With the bus network's modest ridership growth during the year, the GO Bus fleet remained adequate for immediate future needs, even with the disposal of 12 buses bought used in early 1980. (These had been purchased to provide peak-hour service while 25 buses were being manufactured and had become surplus with the delivery of the new coaches in December 1981.) With the disposal, the bus fleet now totals 186.

At Steeprock Bus Garage, which is responsible for the maintenance of all buses and support vehicles, minor modifications were made to the tire storage

and brake and transmission rebuild facilities; miscellaneous support vehicles were acquired by various GO branches during the fiscal year.

Also, GO provided shuttle bus service under contract for Canada's Wonderland for the second successive year (see Service for Special Events), and extended the leasing of GO Buses in off-peak periods, formerly available only to its contract operators, to all carriers in Southern Ontario.

Service for Special Events

Service for special attractions and events remained an important GO Transit function. Public call for such service grew, as did the demand for serving a wider range of attractions than before in an area once dominated by the Canadian National Exhibition.

GO Train service for Exhibition Place in general — for Ontario Place and a variety of musical and sporting events — has become an established summer feature, with regular hourly frequency provided at Exhibition GO station May through September. Argonaut, Blue Jay and Blizard home games at Exhibition Stadium continued to attract substantial off-peak

ridership. The Canada's Wonderland shuttle bus service operated under contract by GO proved popular in its second season. And special discount package fares and shuttle bus service were offered for the Canadian Open golf tournament for the first time.

Such services, generally very cost-effective, help offset GO's general operating expenditures and involve already available, and otherwise underutilized, off-peak resources. Also, by building the leisure market, GO increases the occasional rider's awareness of the GO Transit presence in the field of regular public transportation.

Statistically, the highlights of the fiscal year were: Exhibition station ridership through the summer stayed basically at the same level as the previous year, but carryings for the CNE declined again. GO Trains handled 407,600 passenger trips at Exhibition station during the CNE, a decrease of 14 per cent; CNE attendance itself was down from the previous year, but GO's percentage of the gate increased to just over 9 per cent, reversing the trend of the last four years. Special trains operated for the Grey Cup football championship on November 28 carried over 8,300 pas-

sengers between Lakeshore stations and Exhibition Place. The Canada's Wonderland bus service carried 287,000 passengers between the park and York Mills/Yorkdale from May through October in the park's second season, an increase of 9 per cent compared to the previous year's full season.

Fare Integration

The fare integration incentive to take public transit became available to even more GO passengers than before with its introduction in Burlington in June.

Adopted permanently the previous fiscal year, the program integrates GO fares with those of municipal transit systems to allow passengers to transfer free, or at a considerable saving off the full combined fare, between the local bus and the GO Train (or connecting GO Bus) at the GO station. The program is available to any municipal system in the Metro Toronto area connecting with the GO Train, and its cost — loss of the local fare which otherwise would be collected — is shared 75-25 by GO and the municipality concerned.

The aim of the program is to relieve parking lot congestion at GO's stations

by encouraging commuters to ride transit all the way between home and destination. The local systems taking part soon recouped some of their investment through substantial increases in ridership. Average weekday carryings on Burlington Transit routes serving the GO station increased by 96 per cent in the nine months from the programs introduction to fiscal year end; similarly, Brampton Transit (which in 1979 was the pilot system working with GO to test integrated fares) has recorded a 188-per-cent ridership increase since the program's inception, while Oakville Transit and Mississauga Transit have experienced increases of 98 and 103 per cent respectively.

By the end of fiscal 1982-83, nearly 5,000 passengers a day were taking advantage of fare integration in these four communities, and plans were being made to implement the system in Pickering in May of 1983.

Transfer-issuing machines, already in use at Union and Oakville stations, were installed during the year at Brampton, Bramalea and Burlington to improve passenger flow and administrative efficiency.

Energy Conservation

Energy conservation measures designed for overall cost savings continued to play an important role in GO's rail and bus operation.

GO proceeded with plans to expand the wayside power program in effect at Willowbrook Maintenance Depot, Georgetown station and Guelph Junction (just beyond the terminus of the Milton line). The program conserves diesel fuel by shutting down, instead of idling, locomotives and auxiliary power units during cold-weather layover and keeping their engines warm electrically through wayside connections to auxiliary power.

During the fiscal year, GO completed design work to equip Bathurst North yard near Union Station and the Bradford and Stouffville terminus stations with wayside power facilities, installation of which is proposed for fiscal 1983-84. The purchase of layover heating equipment for locomotives and auxiliary power units not already equipped is also planned for 1983-84.

The layover of out-of-service trains at these locations is itself an energy-

conserving move, reducing unnecessary deadheading of equipment to and from Willowbrook. Another energy-conserving measure was achieved during the year by eliminating the second locomotive on certain Lakeshore trains (see Rail Operations).

In the bus operation, GO implemented a vehicle cycling program to deploy buses more efficiently for passenger service and reduce deadheading to and from storage and maintenance locations. Also, all GO Buses were outfitted during the year with engine governor mechanisms to restrict road speed and conserve fuel.

Locomotives & APUs

GO acquired seven remanufactured locomotives and three auxiliary power units to meet existing and new operational requirements, including those created by the Bradford and Stouffville services.

The locomotives — General Motors GP40-M-2s modified for commuter service — were purchased rebuilt and all were in service by late fall, increasing the locomotive roster to 32.

Three GM F7B locomotive carboodies were bought for conversion into the auxiliary power units, with the initial reconstruction done by the vendor and the bulk of the conversion undertaken by the Ontario Northland Transportation Commission in North Bay.

The APUs are the first such units for GO, complementing the 11 auxiliary power control units already in service. Like the APCUs, the APUs cannot move independently but generate hotel power for the lighting, heating and air-conditioning of passenger coaches while locomotives provide traction power; the APUs, however, have no control cab or crew. Conversion was completed and the new units were in service by February.

During the fiscal year, GO also began a three-year backshopping program to overhaul 11 GP40-2 locomotives to virtually new condition. Estimated to cost \$4 million, the backshopping is being performed by Ontario Northland to GO's specifications.



Bi-level coach order virtually doubles present fleet

Bi-Levels

The first of GO's new, second-generation bi-level rail coaches went into operation at the end of the fiscal year.

A refinement of the original bi-level introduced in March 1978, Bi-Level II entered revenue service on the morning of March 21, 1983 when the first four of the 71 vehicles ordered began operating along the Lakeshore. The balance of the order will be phased into service during the rest of 1983 on delivery and acceptance from the manufacturer.

Like the original 80 coaches, the Bi-Level IIs are built in Thunder Bay by Hawker Siddeley Canada Inc. expressly to GO's specifications. The new coach is the same size as the original version, seats the same number of passengers

(162) but incorporates numerous modifications based on five years of operating experience in GO Transit service.

Many are technical "under-the-hood" changes, while others are for passenger comfort and convenience — the key criteria originally in the design of the bi-level. These changes include a new interior color scheme designed for easy maintenance while retaining the bright spaciousness characteristic of the bi-level; major modifications also were made to improve the suspension, ventilation and air-conditioning, and door mechanism systems (the last to minimize failures, especially in winter).

The order includes the manufacture of 15 bi-level cab cars, the first such equipment for GO.

Rail Station Development

During the fiscal year, the first phase of parking capacity expansion was completed at Brampton station, and additional property was acquired for the improvement of facilities for local transit interface.

GO commuter parking facilities were also enlarged at the Hamilton CN rail station, increasing capacity from 70 to 150 spaces.

At Burlington station, an additional stairwell access from the tunnel to the platform was built to alleviate the back-up of commuters on the platform during disembarking in the evening rush hour.

Engineering design was completed for the expansion of parking capacity at Clarkson; this work and the expansion of parking lots at Rouge Hill, Eglinton and Scarborough stations (engineering design for which was completed in 1981-82) will be undertaken in fiscal 1983-84 if capital funds are available.

Construction was also carried out during the fiscal year to upgrade the existing VIA stations for GO commuter service on the Bradford and Stouffville lines.

Toronto Transportation Terminal Redevelopment

The extensive Toronto Transportation Terminal reconstruction project entered the home stretch, with completion of the track network phase scheduled for late 1984. The signal system phase proceeded to design and was under review with the railways at fiscal year end.

Redevelopment began in 1978-79 with construction of a new GO concourse in Union Station, where improvements continue to be made. The project is designed to meet anticipated commuter demand by relieving critical rail traffic congestion and increasing the capacity of the terminus and its western corridor approaches.

During fiscal 1982-83, extensive changes to the approach track network, which included increasing GO's mainline tracks from two to four at the Bathurst Street junction, virtually eliminated GO Train delays on the western approach to Union Station.

Work will continue in 1983-84 to open up the Bathurst Street bottleneck with the construction of two more mainline tracks and the tracks for the GO flyunder just west of Spadina Avenue. The flyunder's structure was finished in late

1981, and when completed the flyunder will provide double-track passage for GO Trains under the existing tracks, eliminating conflict with other rail traffic. Limited train operation through the flyunder is scheduled to commence in late 1983.

Union Station

The GO concourse in Union Station, through which 95 per cent of the rail system's passengers pass every day, continued to undergo modifications to improve facilities.

Feasibility studies were completed during the fiscal year for the enhancing of pedestrian movement through the concourse, which opened in 1979. Short-term relief, meanwhile, was achieved in the fiscal year with the addition of platform exits and the re-arrangement of ticket collection booths for increased efficiency.

Additional improvements consisting essentially of platform and track changes inside the train shed and expanded access to the TTC subway will be made in 1983-84 if funds can be obtained.

Newmarket Bus Terminal

Newmarket's new GO Bus terminal opened for service in January, replacing the outmoded one on Yonge Street.

Relocated nearby on Highway 9 just west of Yonge, the new terminal features a 406-square-metre building containing a spacious waiting area, ticketing facilities, washrooms, bus parcel express area, drivers' room and dispatcher's office. Ten bus loading bays, partly sheltered by the building's large overhang, were built to handle the immediate and future needs of both GO and Newmarket Transit service. Parking is available for 470 cars, more than double the old terminal's capacity, and a kiss & ride passenger drop-off area was constructed to accommodate 40 vehicles more than the old one.

The site was acquired from a local developer in exchange for the old terminal's site, which housed both passenger and bus garage facilities under one roof in a converted car dealership. GO outgrew these facilities as passenger demand increased in the populous Newmarket/North Yonge corridor, and the construction of the new terminal was part of a plan to relocate both the terminal and the garage to separate, larger sites.



Newmarket's new bus terminal opened for service in January

Newmarket Bus Garage

GO proceeded with its plans for a new bus garage in Newmarket to provide storage, servicing and light maintenance for buses assigned to northern routes.

A site about 1.6 kilometres north of the junction of Highways 11 (Yonge Street) and 9 had been acquired in fiscal 1981-82, and detailed design for the first phase of the garage was initiated during fiscal 1982-83. Construction of this phase will be done in fiscal 1983-84 provided capital funds are available; the work will consist of outside parking for 30 buses, with electrical plug-ins for winter layover, as well as employee parking, site illumination, bus fueling and

servicing equipment, and temporary trailers to house drivers and maintenance staff.

When the garage and support facilities are built in the project's second phase, some of the maintenance now performed at GO's Steeprock Bus Garage in Downsview will be transferred to Newmarket, minimizing vehicle mileage and forestalling the need for expansion at Steeprock.

Hamilton Bus Terminal

A site selection study was undertaken and completed during the fiscal year for a new intercity bus terminal in downtown Hamilton. The study was done in co-operation with the City of Hamilton and

the Region of Hamilton-Wentworth to determine the most appropriate location and ultimate space requirements.

A program to replace the existing downtown terminal at John and Rebecca Streets, however, is being held in abeyance pending the route alignment and station site selection for GO-ALRT service between Oakville and Hamilton.

Bus Shelter Maintenance

The cleaning of bus shelters by the Richmond Hill ARC Industries adult rehabilitation centre continued for the sixth successive year.

Begun in 1977 with an agreement between GO and ARC for the cleaning and minor maintenance of 40 shelters along the Bayview and North Yonge routes, the project now involves over 70 shelters, and its success prompted GO to approach other groups for similar agreements. In December the Mississauga Association for the Mentally Retarded joined the program, looking after 30 shelters spread over the Acton, Milton, Georgetown and Mississauga areas. The performance of both groups has been impeccable, benefiting both their own rehabilitation programs as well as the traveling public.

Special Passenger Needs

GO Transit continued incorporating changes in its system to assist passengers with impairments who have difficulty using its service.

While regular passenger aids, such as public address announcements or Union Station's television monitors, benefit all passengers in general, numerous other improvements have been made in the last few years specifically for passengers with special needs. These include reserved parking spaces for handicapped persons; pay phones with volume-control handsets; improved illumination levels in vehicle entrances; color-contrasted, textured stair treads; and tariff changes to recognize special ticketing needs. Other innovations are in the works — all improvements, whether for regular or special passengers, are monitored to determine their usefulness and (in the case of experimental modifications) the feasibility of being incorporated permanently in the system.

GO also continued working with the Ministry of Transportation and Communications on the MTC's studies of ways to aid non-ambulatory persons who cannot comfortably use the type of equipment and facilities, such as GO's, which are designed to move large numbers of commuters quickly and efficiently.

TeleGO

TeleGO's first phase — train monitoring — was implemented in November; unforeseen software problems developed, however, necessitating more rigorous testing of this phase than planned in an attempt to resolve all technical difficulties.

The original TeleGO study had recommended implementation of the TeleGO computerized information system in five phases, with each phase's introduction dependent on the successful testing and operation of the previous phase. When operational, the first phase will provide GO operations personnel with accurate train performance information in real time by continuously monitoring the exact location of every Lakeshore train in service; the information is designed to be conveyed to passengers

during the project's passenger information stage via electronic signs at Clarkson, the test station.

Once this first phase has been successfully tested and is fully operational, GO staff will be able to evaluate the feasibility of proceeding with the next phase. Developed to the fullest, TeleGO can be expanded to incorporate the rest of the rail network and the GO Bus system, as well as municipal transit systems connecting with GO.

Pay Parking

Plans to introduce pay parking were deferred as part of the Province's price restraint program.

Preliminary study for the implementation of parking fees at GO lots was completed during the year, but detailed design and contracting for the installation of suitable pay controls equipment have been held in abeyance.

When introduced, pay parking will help defray the capital and operating costs of providing parking for GO patrons. The system's capacity is now nearly 15,000 parking spaces.

Fare Collection

Completed during the fiscal year was the second phase of GO's fare collection study, which included the development of specifications and cost estimates for the testing of a self-serve, honor fare ticketing system on the Milton rail line. Funds were allotted in the 1983-84 budget for this demonstration, the equipment for which will be tendered in the 1983-84 fiscal year as well.

Also completed was the development of like specifications and estimates for bus

ticket-issuing equipment compatible with the new self-serve system.

The present ticketing procedure, a manual system, has been in place since GO service began in 1967.

Fare Increase

Fares rose by an average 16 per cent on July 1 in the continuing effort to meet the 65:35 revenue/operating cost ratio set by the Government. With this increase, 53.8 per cent of GO's operating costs were being recovered from fares by fiscal year end.

The basic charge in GO's fare formula increased from 30 to 35 cents and the distance charge, levied after the base is applied, rose from 4.5 to 5.2 cents a kilometre; the downtown bus surcharge increased from 45 to 50 cents. There was no change in the discount rates for 10-ride ticket books or monthly passes.

Non-Fare Revenue

Non-fare sources again generated a significant amount of revenue to help offset GO's operating costs.

Sundry revenue totaled \$2.2 million in fiscal 1982-83, \$410,000 of which came from interest earned through the placing of short-term excess bank account funds on the money market; \$233,000 from bus and rail equipment rentals; \$192,000 from the sale of advertising space on the GO system; and \$1.3 million from other sources (primarily the lease of commercial space in Union Station and GO's charges for contract work performed for VIA Rail at Willowbrook Maintenance Depot).



Fares increased by an average 16 per cent in July

Audit & Security

An Audit and Security Division was created and charged with the responsibility of internal audit control and security for GO passengers, personnel and property.

The new Division unifies functions which previously had been under different divisional jurisdictions, underlining the importance of a consolidated approach to efficient operation, especially with the move towards new areas such as pay parking, self-serve fare collection and ALRT service.

In establishing the Division, GO also recognizes the importance of maintaining a high level of security by the enforcement of its regulations and the prevention of crime (vandalism alone accounted for a jump in property damage costs from \$20,000 in fiscal 1981-82 to \$52,000 in 1982-83).

Head Office

GO Transit relocated head office from 3625 Dufferin Street to nearby 555 Wilson Avenue, Downsview, in December.

The move was forced by lack of space for expansion at the old premises, as well as the need to consolidate staff, many of whom had been moved earlier to Union Station. The priority for additional office space was made all the more critical by the continuing expansion of GO's services and facilities, including the takeover of VIA Rail's Bradford and Stouffville corridors.

The new headquarters, open December 13, contain 31,000 square feet of renovated space — almost double the former premises' capacity — and are close to Highway 401 and the TTC subway for convenient accessibility.

GO-ALRT

October 7 marked a watershed in the 15-year history of GO Transit.

At a Queen's Park press conference that morning, James Snow, Minister responsible for GO, unveiled the Province's long-range interregional transit strategy for the Toronto area, a plan reshaping the future of GO.

Designed to meet the challenges of the next few decades, the strategy launches GO into a new, light rail era, radically different in approach from the conventional heavy rail operation which has remained unchanged since GO Train service began in 1967. It calls for electrified Advanced Light Rail Transit service on rights-of-way owned and controlled by the Province, as opposed to the existing, diesel operation on trackage owned and controlled by the contract railways — but upgraded for GO commuter service entirely with Provincial funds.

GO and the Ministry of Transportation and Communications formulated the strategy in response to the Government's growing concern that the existing type of service, running on rights-of-way shared with freight and intercity pas-

senger train traffic, cannot handle the great demand for public commuter transit expected through the turn of the century. Many rush-hour GO Train and Bus trips are at capacity already, and the Lakeshore rail line has reached saturation point with 40,000 passengers daily, a number forecast to be four to five times greater by the year 2020. Possible solution to the problems, given the arrangement with the railways, would be short-term measures at best, not the long-range relief GO needs through substantially increased capacity.

That capacity can be provided only with the Province owning the rights-of-way

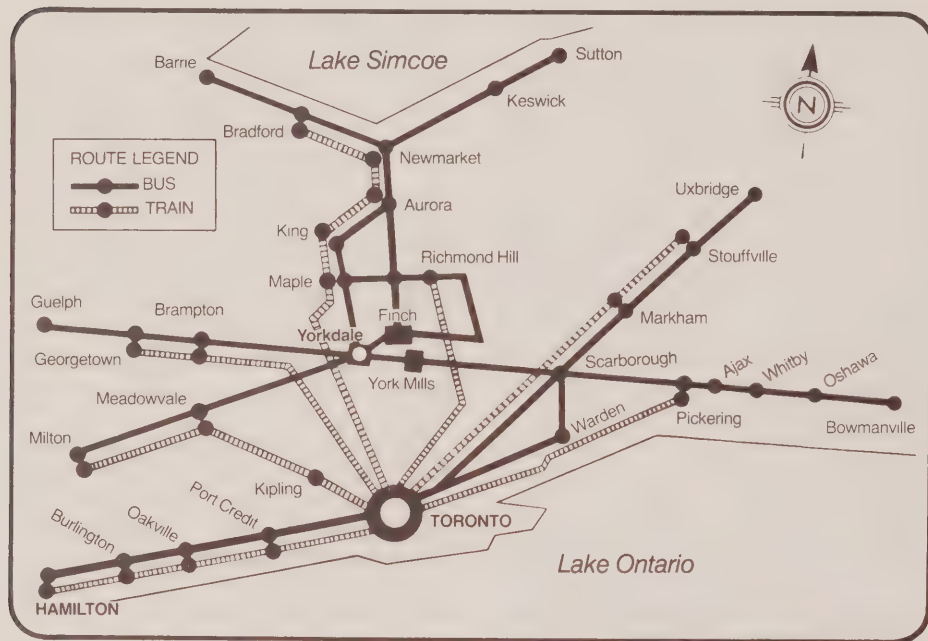
exclusively, enabling GO to expand service to meet demand. Advanced Light Rail Transit service will be developed initially as extensions to existing rail service from the Lakeshore line railheads to Hamilton and Oshawa, and ultimately along the entire Lakeshore on an exclusive right-of-way adjacent to the present GO Train corridor; the strategy also includes the development of an east-west rapid transit link connecting north Metro Toronto with the Regions in GO's service area. In the interim, short-term plans (a forerunner of which is the "Port Credit turn" described earlier) are being pursued with the railways to improve existing service.

To manage the project, the GO-ALRT Program, a team of GO and MTC personnel, was established with headquarters in the head office premises vacated by GO Transit during the fiscal year. By year end preliminary design work for the Hamilton and Oshawa ALRT extensions had begun, and consultants had been chosen for different segments of the two extensions, the exclusive Lakeshore right-of-way and the rolling stock maintenance facility.

Municipal involvement being an essential part of the project, close liaison was set up with the Regions and Metro to ensure local participation in the development of GO-ALRT service — and to give communities a sound base for developing their own rapid transit systems. At fiscal year end plans were being laid for a series of participation centres to gauge public opinion on the project.



A.F. LEACH
Managing Director
and Secretary



The GO Train and
GO Bus network at
March 31, 1983



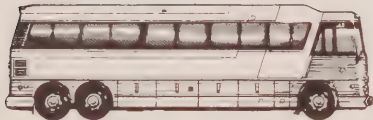
Auditors' Report

To the Members of the Toronto Area Transit Operating Authority, the Minister of Transportation and Communications, and the Provincial Auditor.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1983 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross + Co.



Toronto, Ontario
May 20, 1983

Touche Ross & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act, 1974)

BALANCE SHEET AS AT MARCH 31, 1983
(In thousands of dollars)

Assets

Current	1983	1982
Cash	\$ 59	\$ 10,884
Accounts receivable	5,330	1,127
Deposit with C.N.R.	8,340	6,450
Due from the Province of Ontario	10,065	5,755
Spare parts and supplies	3,213	2,597
Prepaid expenses	217	263
	<u>27,224</u>	<u>27,076</u>
Fixed		
Land	25,538	23,899
Buildings and equipment (Note 2)	114,921	102,207
Leasehold improvements, net of accumulated amortization of \$123 (1982 - \$83)	1,056	718
Improvements to railway right of way and railway plant, net of accumulated amortization of \$14,110 (1982 - \$9,537)	89,231	85,117
Construction in progress		
Toronto Transportation Terminal Project (Note 3)	15,196	10,666
Bi-level Commuter Cars	33,826	9,215
Other	496	2,980
	<u>280,264</u>	<u>234,802</u>
	<u>\$307,488</u>	<u>\$261,878</u>

Liabilities

Current	1983	1982
Accounts payable and accrued liabilities	\$ 24,582	\$ 24,722
Unearned revenue in respect of tickets sold and not used	478	546
	<u>25,060</u>	<u>25,268</u>

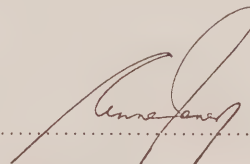
Equity

Province of Ontario	282,428	236,610
	<u>\$307,488</u>	<u>\$261,878</u>

On behalf of the Members



..... Chairman



..... Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1983

(In thousands of dollars)

	1983	1982
Equity at beginning of year	\$236,610	\$205,698
Capital contribution from the Province of Ontario	58,197	44,651
	294,807	250,349
Amortization of capital contributions	(12,379)	(13,739)
Equity at end of year	<u>\$282,428</u>	<u>\$236,610</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1983

(In thousands of dollars)

	1983	1982
Revenue		
Commuter services	\$ 38,675	\$ 32,621
Sundry revenue (Note 5)	2,202	3,243
	<u>40,877</u>	<u>35,864</u>
Expenses (Note 6)		
Train and bus operations	58,752	52,628
Terminals and plant	26,495	23,790
General and administration	13,876	11,181
	<u>99,123</u>	<u>87,599</u>
Loss from operations	58,246	51,735
Operating subsidy from the Province of Ontario including amortization of capital contributions of \$12,379 (1982 - \$13,739)	58,246	51,735
Net income for the year	<u>\$ —</u>	<u>\$ —</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1983

(In thousands of dollars)

	1983	1982
Source of funds		
Capital contributions and operating subsidies from the Province of Ontario, net of amortization	\$104,064	\$82,648
Proceeds on disposal of fixed assets	632	—
	<u>104,696</u>	<u>82,648</u>
Application of funds		
Loss from operations	58,246	51,735
Less items not requiring an outlay of funds		
Depreciation and amortization	(12,379)	(12,679)
Loss on disposal of fixed assets	(106)	—
	<u>45,761</u>	<u>39,056</u>
Capital expenditures		
Land, buildings and equipment	13,762	8,124
Improvements to railway right of way and to railway plant	6,253	14,596
Leasehold improvements	378	—
Construction in progress		
Bi-level commuter cars	33,160	9,215
Toronto Transportation Terminal Project	4,530	6,941
Other	496	1,751
Milton Rail Project	—	3,748
	<u>58,579</u>	<u>44,375</u>
	<u>104,340</u>	<u>83,431</u>
Increase (decrease) in working capital	356	(783)
Working capital at beginning of year	<u>1,808</u>	<u>2,591</u>
Working capital at end of year	<u>\$ 2,164</u>	<u>\$ 1,808</u>
Represented by:		
Current assets	\$ 27,224	\$27,076
Current liabilities	25,060	25,268
	<u>\$ 2,164</u>	<u>\$ 1,808</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1983

(In thousands of dollars)

1. Summary of significant accounting policies

a. General

These financial statements are prepared on the accrual basis using generally accepted accounting principles.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets

Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975 was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their estimated useful lives on a straight-line basis. Depreciation for locomotives and auxiliary power control units is calculated as the straight-line rate applied to 175% of cost. The purpose of this practice is to allow for overhaul costs which, when capitalized, do not affect depreciation charges. Fixed asset categories and their corresponding depreciation rates are as follows:

Buildings and equipment	
Shelters and ticket booths	20 %
Other buildings	5 %
Locomotives and auxiliary	
power control units	4 %
Other railway rolling stock	4 %
Buses	8.3 %
Parking lots	5 %
Sundry — Furniture and fixtures	8.3 %
— Other	20 %
Improvements to rail right of way	
and railway plant	5 %
Leasehold improvements	5 %

When an asset is sold or otherwise disposed of, the costs and accumulated depreciation pertaining to that asset are removed from the accounts and a gain or loss is recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful lives of the related assets.

2. Buildings and equipment

	1983		1982	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 28,561	\$ 5,915	\$ 22,646	\$ 22,239
Locomotive and auxiliary				
power control units	23,706	8,077	15,629	8,115
Bi-level commuter cars	8,550	—	8,550	—
Other railway				
rolling stock	72,615	20,576	52,039	55,282
Buses	17,970	8,491	9,479	11,493
Parking lots	5,519	1,386	4,133	3,238
Sundry	3,618	1,173	2,445	1,840
	<u>\$160,539</u>	<u>\$45,618</u>	<u>\$114,921</u>	<u>\$102,207</u>

3. Toronto Transportation Terminal Project

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements

The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	January 1, 1982 to December 31, 1983 (renewal under negotiation)
Travelways Maple Leaf Limited	October 26, 1980 to October 29, 1983
Charterways Transportation Limited	December 1, 1982 to November 30, 1983
Canadian Pacific Limited	October 26, 1981 to October 25, 1991

5. Sundry revenue

The details of sundry revenue are as follows:

	1983	1982
Other income	\$ 1,367	\$ 1,413
Interest income	410	445
Equipment rentals	233	1,139
Advertising revenue	192	246
	<u>\$ 2,202</u>	<u>\$ 3,243</u>

6. Expenses

The details of expenses are as follows:

	1983	1982
Salaries, wages and fringe benefits	\$13,173	\$10,336
Payments to outside parties for operation of services	38,856	34,175
Fuel and oil	8,921	8,048
Other expenses	<u>15,050</u>	<u>12,971</u>
Total operating expenses before the undernoted items	76,000	65,530
Leases, rentals and user charges	10,744	8,330
Depreciation and amortization	<u>12,379</u>	<u>13,739</u>
Total expenses	<u>\$99,123</u>	<u>\$87,599</u>

Of the total expenses above, \$76,000 (1982 - \$65,530) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established as 65% of the recoverable expenses. In 1983, total revenue amounted to \$40,877 (1982 - \$35,864) and represents a recovery of 53.8% (1982 - 54.7%) of the recoverable expenses.

7. Lease commitments

Long-term leases in effect at March 31, 1983 expire in varying periods from one to seventeen years and require the following minimum annual rental payments over the next five years:

1983-1984	\$1,244	1986-1987	\$390
1984-1985	680	1987-1988	362
1985-1986	426		

8. Capital commitments

The nature and amount of capital commitments undertaken by the Authority, net of payments made to March 31, 1983, are outlined below:

Agreements for the development of the Toronto Transportation Terminal Project as mentioned in Note 3	<u>\$18,520</u>
--	-----------------

71 Bi-level commuter cars for delivery in 1983/1984

Total contract price for 71 cars	68,673
Progress payments to March 31, 1983	<u>42,603</u>

Balance of payment, subject to escalation adjustments	<u>\$26,070</u>
---	-----------------

9. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

10. Comparative figures

Certain comparative figures have been changed to conform with the presentation adopted in 1983.

Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is a voluntary association (empowered by legislation) of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

B. FORHAN
Chairman, Council of
The Regional Municipality of York

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

G. HERREMA
Chairman, Council of
The Regional Municipality of Durham

J.N. RAFTIS
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

GO TRANSIT

555 Wilson Avenue, Downsview, Ontario M3H 5Y6 (416) 630-5220

Officers

A.F. LEACH
Managing Director
Secretary to the Board

A.M. ROBINSON
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

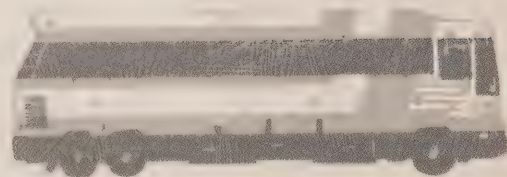
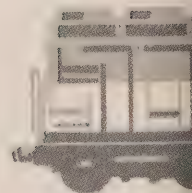
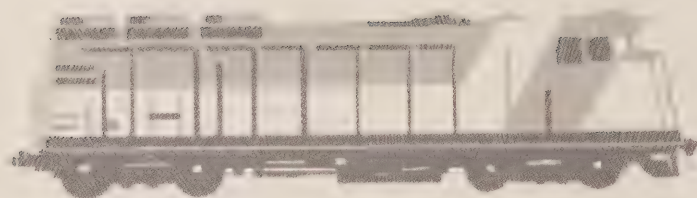
J.M. BURWELL
Director, Audit and Security

H.W. CLELLAND
Director, Development, Engineering and Plant

H.D. MOSHER
Director, Services

D.A. SUTHERLAND
Director, Special Projects
Deputy Executive Director, GO-ALRT Program





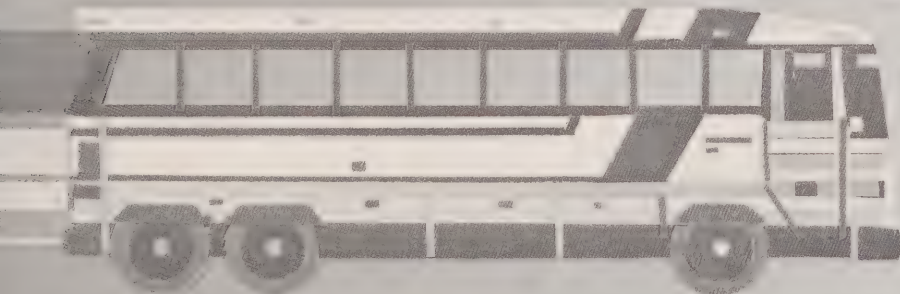
Ontario



Annual Report

For the year ended March 31, 1984

CAZON
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- A56



Toronto Area Transit Operating Authority



GO TRANSIT

555 Wilson Avenue, Downsview
Ontario, Canada M3H 5Y6
(416) 530-5220 Telex 96-217508

July 24, 1984

The Honourable James W. Snow
Minister of Transportation
and Communications
Ferguson Block
Queen's Park
Toronto, Ontario
M7A 1A1

Dear Mr. Minister:

It is my honor, on behalf of the Members of the Board, to
present the 1983-84 annual report of the Toronto Area Transit
Operating Authority.

It is also my pleasure to extend our thanks to you and your
staff at the Ministry of Transportation and Communications
for your continuing co-operation and assistance, a special
relationship which we at GO Transit hope will continue to
grow.

Respectfully submitted,

L.H. Parsons
Chairman



Government
of Ontario
Transit

Chairman
L.H. PARSONS
Vice-Chairman
MRS. A.W. JONES
Regional Municipality of
Hamilton-Wentworth

R.F. BEAN
Regional Municipality of Peel
A. ROMAN
Regional Municipality of York

P.V. GODFREY
Municipality of Metropolitan Toronto
G. HERREVA
Regional Municipality of Durham

P.D. POMEROY
Regional Municipality of Halton
Managing Director
A.F. LUDEN



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416/965-2101

July 25, 1984

The Honourable John Black Aird
Lieutenant Governor of Ontario
Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

May It Please Your Honour:

I have the privilege of presenting for the information
of Your Honour and the Legislative Assembly the report
of the activities of the Toronto Area Transit Operating
Authority for the year ended March 31, 1984.

Respectfully submitted,

James Snow
Minister

Chairman's Summary

The tide has turned. Ontario began swinging around slowly but surely out of the recession, and economic recovery was no longer just a glimmer on the horizon. For GO Transit, fiscal 1983-84 was considerably brighter than prior years had been.

As the economy strengthened, plans that had been shelved for lack of funds were revived; much-needed expansion and improvement of GO facilities got under way again. Capital resources were still tight, however, for all sectors of Government, a situation which will probably prevail for the rest of the decade. Making maximum use of available means therefore remained a prime objective, but squeezing the most out of every dollar was not always easy. As business opportunities grew, putting people back to work, one effect of the upswing in the economy was an increase in demand for efficient public transportation; its services somewhat strained as a result, GO still strove, as always, for the high standard of safe,

affordable transportation which its patrons, rightly, have come to expect.

This it attained without increasing the taxpayer's share of financing the service. Its revenue/cost ratio improved for the first time in several years, and at year end GO was recovering more than 58 per cent of its operating costs through revenue. A greater proportion of the cost of providing GO service is thus being borne by the user – the equitable way of paying for a socially essential service like public transit. The amount of Provincial subsidy, of course, would have been much higher had the ratio been less. GO is confident of being able to keep closing in on the 65-per-cent target set for it by Cabinet in 1977, and the situation should improve even more in the next few fiscal years.

Building on the future, GO forged full steam ahead with its plans to provide the type and level of service which can realistically meet the demand of not just the next few years but several decades

hence, into the next century. This long-range strategy calls for the development of Advanced Light Rail Transit service (GO-ALRT) to improve and strengthen interregional transit for the Hamilton-Toronto-Oshawa area now served by GO. Development will start with extension of the present Lakeshore line east from Pickering to Oshawa, and the GO-ALRT network will eventually stretch along the entire Lakeshore between Hamilton and Oshawa, as well as on a northern route through Toronto connecting Oakville and Pickering with the international airport and several municipal city centres in the GO service area.

The Province's fiscal restraints, of course, dictate the timing of this extensive project's various phases, but much has been accomplished since the plans were unveiled in late 1982. Planning and design have reached the point where GO is poised to begin construction of the first section – Pickering to Oshawa – early in the next fiscal year; if the project continues to progress on

schedule, service on this portion of the new network should become operational by 1988.

Naturally, while these plans become reality, passengers can expect some inconvenience on the present system. The outcome of this bold strategy, however, will be well worth the wait: a new and exciting era for GO is just around the corner.

As GO moves towards that era, I am positive that all involved – GO staff, its operators, its Board – will meet the complex challenges ahead; the efforts and dedication shown in the past attest to that. I would like to thank all for their contributions during the year, and I am certain that all will keep working together to deliver the quality service for which GO is so well known.

A handwritten signature in dark ink, reading "L.H. Parsons." The signature is fluid and cursive, with the first name "L.H." written in a more compact, stylized manner than the last name "Parsons."

L.H. PARSONS
Chairman

Managing Director's Report

Ridership

Ridership gains improved for the second successive year, reflecting the slow but steady recovery of the economy. Though modest, a far cry from the substantial increases of before the recession, GO's system ridership growth was nevertheless encouraging.

Combined rail and bus carryings increased from 23 million passengers in fiscal 1982-83 to over 24 million in 1983-84 – a 5.6-per-cent gain – with rail ridership responsible for 14 million and bus for 10 million passengers. Again, for the fourth straight year, the bus system surpassed rail in ridership growth rate with a 7.6-per-cent increase over the previous year; rail passenger carryings, meanwhile, increased by 4.2 per cent over 1982-83. In comparison, the increases registered the previous year had been 4.7 per cent for the bus network, 2.9 for rail and 3.6 for the system.

Average weekday ridership at year end was 87,500 passenger trips system-wide, compared with 83,750 the previous year; GO Trains accounted for 53,200 trips, up from 50,350, and GO Buses for 34,350, up from 33,400. The

12-month average for the year was 51,900 passenger trips for rail and 33,000 for bus for a system total of 84,900; in comparison, the 1982-83 average was 50,300, 31,650 and 81,950 respectively. (See graph, page 9.)

On the rail system, the greatest growth rates were in the Milton and Stouffville corridors. The Milton service's passenger carryings for the year increased by almost 22 per cent over 1982-83 – launched in late 1981, the line is still building its ridership, aided by a surge in new residential development along the route, and is expected to continue doing so in subsequent fiscal years. On the Stouffville line, which was launched in September 1982 with the Bradford service, average daily ridership increased by over 50 per cent from 650 passengers at the inception of service to 950-1,000 by year end.

Annual growth was slower on the Lakeshore line (2 per cent) and the Georgetown line (0.7 per cent), but both services, which serve mature markets, are slowly recovering like the system in general. Ridership on the Richmond Hill line was down by 7.3 per cent – a decline which was offset by increases in GO Bus carryings in the same corridor.

On the bus network, the growth corridors of the last few years – Brampton/Bramalea-Toronto, North Yonge and Oshawa-Toronto – again registered increases. Significant gains also occurred in the Newmarket corridor and the Hamilton QEW City Link and Oakville train meet services.

Rail Operation

New equipment, service refinements and cost-cutting measures were the highlights of the GO rail operation in 1983-84.

The Bi-Level II rail coach was phased into revenue service during the year, introducing passengers to a refinement of the popular original GO bi-level which had made its debut in 1978. By the end of December, all 71 new coaches (including 15 cab cars) were in full operation, making bi-level equipment universal on the Lakeshore service and on most trips in other corridors as well.

Stouffville GO Train service was improved by adding stops at Danforth and Scarborough stations on the Lakeshore line to give commuters access to the Bloor-Danforth subway. At the same time, service on the Lakeshore was



streamlined to allow this change, eliminating the Scarborough stop on one trip each in the morning and evening.

Under a program begun last fiscal year, another Lakeshore train was cut back from double-to single-locomotive operation to reduce running and maintenance costs. The second locomotive on certain trips had been added earlier when, with ridership expanding, the number of cars had been increased to the point that a single locomotive could not meet the schedule; the program will continue, with corresponding schedule adjustments causing the minimum of inconvenience to passengers.

Over Christmas and New Year's, when patronage dropped as expected by 40 per cent, GO trimmed its rail and bus services accordingly for operational

savings. Special, extra trips were still run, as in previous seasons, but the holiday schedule this time was designed to meet demand more closely than in the past, offering service when it was needed most.

Further cost savings were also effected when wayside power facilities for lay-over trains went into use at the Bradford and Stouffville stations and at Bathurst North yard just west of Union Station. Besides keeping trains warmed up and ready for service, wayside power reduces the need for costly non-revenue equipment moves and the resultant wear and tear on rolling stock. Work continued on installing layover heating equipment in locomotives and auxiliary power units not already equipped – 21 units have been outfitted so far, and the remaining 26 will be done in subsequent fiscal years.

The three-year locomotive back-shopping program begun in 1982-83 continued, with three more GP40-2s overhauled to GO's specifications for \$1.39 million by the Ontario Northland Transportation Commission in North Bay; another six locomotives are scheduled for overhaul to virtually new condition in 1984-85.

In July, GO took over the maintenance of track at its Willowbrook and Bathurst North yards, preferring direct responsibility to the contracting out of this important function. CN and CP Rail, as contract operators of GO Train service, remain responsible for maintaining all mainline track for GO.

The leasing of equipment at off-peak times also continued as part of GO Transit's effort to generate extra revenue to help defray operating deficits.

(See pertinent items elsewhere in this report for other details.)

Bus Operation

Like rail, the bus operation refined and improved service to meet specific demands.

Most changes were minor, but service was upgraded considerably on the Hamilton City Link and North Yonge C routes. Weekday frequency on the east-bound City Link expresses from Hamilton to Toronto was increased from 30- to 20-minute headways during morning rush hour, with non-timetabled extra buses providing service every 10 minutes in effect; at year end a similar



The first employee drivers for GO began providing service in January

upgrading in April 1984 was scheduled for the evening service westbound from Toronto. Saturday-morning 15-minute frequency on the North Yonge C service was extended to start two hours earlier, improving service further for residents in one of the bus network's most populous corridors; service on this route runs all week, as often as every five to 10 minutes during weekday rush hour. Service was upgraded too for Markham residents with the rerouting of local trips in the Uxbridge corridor via Mark-

ville Centre and McCowan Road, improving connections with Markham Transit.

In conjunction with the rail operation, GO Bus service was reduced to meet decreased demand during the Christmas and New Year's period, although extra service was run where needed. Combined with equipment rentals to other carriers to meet their seasonal crunch, these service adjustments netted significant cost savings for GO.

Towards year end, GO hired its first bus drivers – 12 full- and four part-time – and began operating the Bayview and Uxbridge services itself on January 29. The move to provide service directly, not through an outside agency, came after expiry of Travelways' contract to supply driver services on these two routes.

On the equipment side, the leasing out of buses in off-peak periods continued. Formerly available only to GO's contract operators, leasing had been extended in the last fiscal year to all Ontario Motor Coach Association carriers in Southern Ontario; the main lease in 1983-84 was to Travelways, which used GO Buses in cottage country throughout the summer and until the end of 1983.

In the ongoing refurbishing of GO Buses, 34 vehicles were overhauled during the year, and another 35 are scheduled for work in 1984-85. The refurbishing entails major structural repair to improve cosmetic appearance and extend the life of the vehicles by at least six years.

Satellite garages went into operation during the year in Newmarket and Hamilton. The first phase of the Newmarket garage, consisting of outdoor parking for 30 buses and two trailers for drivers and maintenance, went into use in late September; full support facilities will be built in the garage's second phase when funds become available. Property on Catharine Street next to the GO Bus terminal was bought in March 1984 for the Hamilton satellite, although GO began leasing and using the facilities in August 1983; the 0.18-hectare (half-acre) site, with a 260-square-metre service building, accommodates 30 buses. At this stage, both satellites look after overnight bus storage, fueling, cleaning and minor repairs, minimizing deadhead mileage to and from the main Steepprock Bus Garage in Downsview.

(See pertinent items elsewhere in this report for other details.)

Corridor	Passengers Carried (Thousands)		Route Kilometres Operated (At year end)		Kilometres Operated (Thousands)	
	1983-84	1982-83	1983-84	1982-83	1983-84	1982-83
Rail						
Lakeshore	10,918	10,702	97	97	1,340	1,306
Georgetown	1,281	1,272	47	47	94	118
Richmond Hill	470	507	34	34	92	99
Milton	1,099	902	50	50	114	112
Bradford	178	101	67	67	32	23
Stouffville	202	96	46	46	28	33
Total	14,148	13,580	341	341	1,700	1,691
Bus						
Hamilton	2,217	2,130	178	178	3,893	3,734
Milton	157	157	60	60	434	426
Georgetown	1,319	1,237	217	217	2,241	2,242
Newmarket	4,225	3,731	352	323	3,993	3,537
Uxbridge	137	134	148	148	418	399
Oshawa	2,179	2,118	172	172	2,586	2,541
Total	10,234	9,507	1,127	1,098	13,565	12,879
System	24,382	23,087	1,468	1,439	15,265	14,570

Service for Special Events

Demand remained strong for service for special events.

GO Transit as usual operated regular and special service for a variety of attractions, including Argo and Blue Jay home games, the Canadian Open golf championship, Canada's Wonderland, Ontario Place, the Canadian National Exhibition, and numerous shows throughout the year at Exhibition Place.

This type of service, usually in demand in the off-peak, involves resources which are already available; being very cost-effective, it helps offset general operating expenditures and increasingly has become an important aspect of GO's operation year round.

GO promoted such service more extensively than before through radio and print advertising and joint publicity with other organizations. Special home-bound trains on the Lakeshore line were again provided for the football season, and GO embarked on a joint promotion with the Toronto Argonauts to build the market for Exhibition station service; by year end a similar campaign with the Blue Jays was planned for the

summer 1984 baseball season. Service was also stepped up in November for the Eastern Canadian football final at Exhibition Stadium.

Exhibition station ridership through the year was higher than in 1982-83, and GO Train carryings for the Canadian National Exhibition in August-September, after a four-year decline, increased by 34 per cent over 1982. GO Transit handled 546,400 passengers during the 20-day show, compared with 407,600 the previous summer; CNE attendance itself was up over 1982, and GO's percentage of the CNE gate increased for the third straight year to 10.8 per cent.

Canada's Wonderland express bus service proved popular again in its third season. The shuttle service carried 312,000 passengers from May through October, and a daily ridership record of 8,300 - 73 per cent more than the 1982 high - was set on September 4, when 17 buses operated virtually non-stop all afternoon and evening.

At fiscal year end, planning was well under way for another special service: joint, intensified transit service with the TTC for the estimated crowd of one

million expected at the Papal mass in September 1984 at the Canadian Forces base in Downsview.

Fare Integration

Pickering became the fifth transit system to take advantage of GO's fare integration incentive, adopted permanently in 1981 after being successfully tested in Brampton and Oakville.

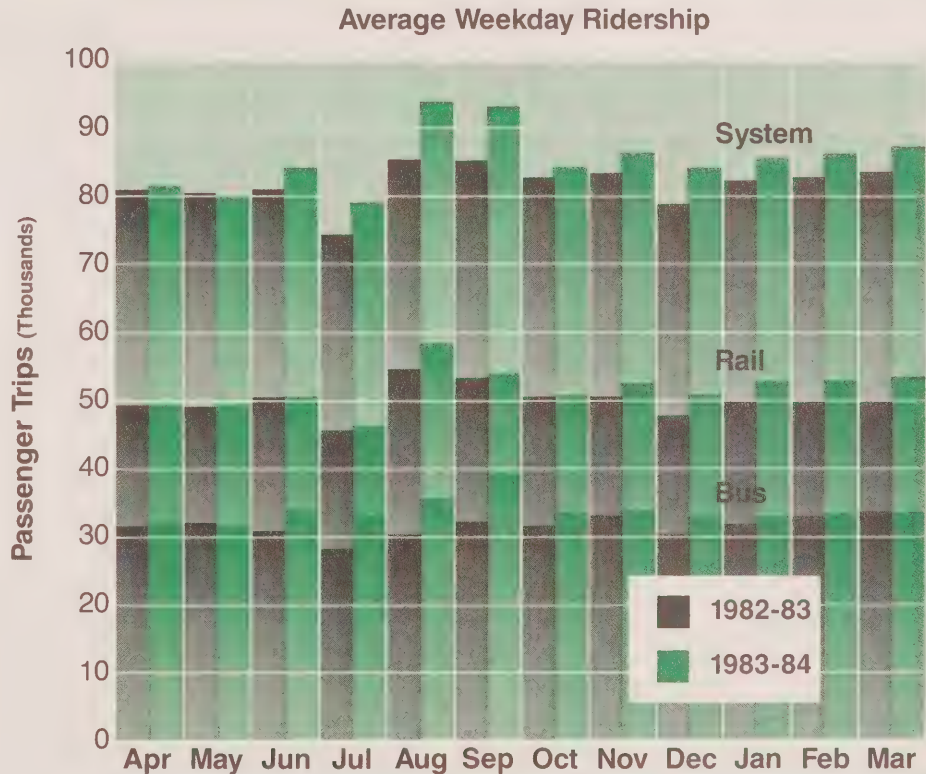
Designed originally to relieve GO parking lot congestion, the fare integration program mutually benefits local transit systems and GO by encouraging commuters to take public transportation all the way between home and destination. Integrating fares with those of the local systems allows GO-ticketed passengers to transfer free, or at a sizeable discount off the full combined fare, between the local bus and GO Transit at the GO rail station in their community.

The program is available to any municipal transit system in the GO commuter-shed which connects with the GO Train, and its cost - loss of the local fare which would otherwise be collected - is shared by GO and the municipality involved. Local systems taking part quickly recoup some of their investment through

substantial gains in ridership. In Pickering, where fare integration was introduced at the end of May 1983, ridership on Pickering Transit bus routes serving the GO station jumped by 33 per cent in the first month – despite summer patronage's tendency to decline; average weekday carryings have since increased by 148 per cent, in line with the experience of the other communities participating in fare integration.

By the end of 1983-84, nearly 4,000 passengers a day were taking advantage of integrated fares in the five communities involved: Brampton/Bramalea, Oakville, Burlington, Mississauga and Pickering.

In another effort to make commuting easy, GO began selling the TTC Metro-pass together with its own discount monthly pass. The new arrangement with the Toronto Transit Commission, which started in February, enables passengers to buy both passes at the same time at virtually every GO ticket outlet in Metro Toronto. Purchasing the passes in the same transaction by charge card also became possible at Union Station and Yorkdale Bus Terminal, the only locations where the credit card sale of GO monthly passes is available.



Bi-Levels

GO's new, second-generation bi-level rail coaches were phased into service during the year, virtually doubling the existing fleet.

The first four Bi-Level IIs had entered revenue service at the end of March 1983, and the rest of the 71-car order went into active service this fiscal year upon delivery and acceptance from the manufacturer. All Bi-Level IIs, including 15 cab cars (the first such bi-levels), were in full operation by the end of December, making the unique bi-level the standard for the GO rail fleet.

Like the original 80 coaches introduced in 1978, the Bi-Level IIs were built to GO's specifications by Hawker Siddeley Canada Inc. in Thunder Bay. The new coach is the same size as the original version and holds the same number of passengers (162 seats in the coach, 161 in the cab car); it is, furthermore, a refinement of the original and incorporates numerous modifications based on several years of operating experience.

Cost of the new coaches, after adjusting for inflation and including commissioning and spare part costs, will total an

estimated \$74 million. Basic cost of each coach is \$980,000, with the cab cars (which first went into service in July) costing \$1.15 million apiece.

The new coaches were ordered as replacements for the aging single-levels, although the newer single-levels remain in operation to meet service demand. GO, meanwhile, actively pursued the disposal of surplus single-levels with interested transit properties. A three-year lease of 53 cars was struck with the Massachusetts Bay Transportation Authority (which had leased 60 single-levels once before, in 1979-81, when the cars had been temporarily surplus pending the start of the Milton GO Train service). At year end, 33 cars were in Boston for MBTA service; the remaining 20 will be shipped in 1984-85.

Wayside Power

Wayside power facilities became operational over the winter at Bathurst North yard and the Bradford and Stouffville terminus stations, keeping layover trains warmed up and ready for service through trackside electrical power.

A fuel-saving measure, wayside power allows the shutdown of trains laying

over in cold weather by heating their locomotive and auxiliary power engines electrically – eliminating the need to idle, and reducing noise, wear and tear and costly deadheading. Before wayside power, the Bradford train had been laying over with locomotive idling, as had trains at Bathurst North stored during the day between rush hours; the Stouffville train had been deadheading to and from the central Willowbrook depot when not in service.

All necessary equipment, including a crew trailer at Stouffville, was installed this fiscal year and went into use in December at Bradford and Stouffville and in February at Bathurst North.

Wayside power is now in use at six locations on the rail system, the other three being Willowbrook, Georgetown station (where this method of fuel conservation was introduced in the winter of 1979-80), and the Guelph Junction yard west of the Milton line terminus. Willowbrook's equipment can handle as many as 14 bi-level GO Trains, while seven can be plugged in at Bathurst North (located just west of Union Station). GO's facilities will be used fully once all rolling stock is modified for hook-up to wayside power.

Rail Station Development

Parking lot expansions and improvements were carried out at several rail stations throughout the system.

Capacity was enlarged substantially at Rouge Hill, Eglinton and Scarborough stations on the Lakeshore East – projects which had been awaiting the availability of capital funds for some time. Rouge Hill's capacity was increased to 683 spaces with the addition of a 210-stall parking lot on the north side of Lawrence Avenue, across from the station. The Eglinton project expanded the existing parking lot westerly, increasing capacity by 143 spaces to 641. At Scarborough, the expansion added parking for 179 cars to bring the total capacity to 471 spaces. The expansions, costing \$465,000, increased capacity by 42 per cent and included illumination and remedial work as well.

Parking lots were upgraded at nine stations on the Bradford and Stouffville lines, completing the improvements begun in 1982 for the launch of the two services. The work consisted of graveling or paving, and site illumination and drainage improvements. The stations have a total capacity for 615 cars, and

only Milliken station, which does not have a parking lot, was not included in the project.

At Brampton GO station on the Georgetown line, the upgrading begun the previous fiscal year was completed to provide a total capacity of 370 spaces. This year's phase added 68 spaces north-east of the existing lot on lands acquired from private owners and leased from CN Rail; a new, four-bay bus loop was built on the new site, vastly improving connection with local transit, particularly for fare integration passengers, and the entire parking area was repaved too as part of the \$290,000 project.

Platform shelters were upgraded at Brampton and two other stations on the line – Bramalea and Etobicoke North – and at Danforth station on the Lakeshore East. Large, prototype shelters – about twice the size of most existing shelters – were erected for \$126,000, part of an ongoing program to improve rail shelters throughout the network. The new structures are of modular construction, with metal frames and safety glass all round, and feature a large roof overhang for extra passenger protection; installation of this type of shelter, with design modifications, is

planned for other stations in subsequent fiscal years.

During the year, passenger-handling improvements were also carried out at Union Station in downtown Toronto; design was completed for platform and tunnel access improvements to be made in 1984-85 at Port Credit station on the Lakeshore West; and the platform at Malton station on the Georgetown line was raised to correspond with track for a new rail overpass at the nearby Derry-Airport Road intersection.

Union Station

Modifications to improve facilities continued at GO's Union Station concourse, which opened in 1979.

GO completed design during the year for major platform access changes inside the trainshed, improvements which, together with expanded access to the TTC subway, will be undertaken in fiscal 1984-85 if funds can be obtained. The project is estimated to cost \$4.7 million.

Other improvements were made during the year to improve passenger handling for the concourse, through which 95 per cent of all GO Train commuters pass

every weekday. A new set of stairs was built at the west end of the platforms to route passengers, primarily from the Lakeshore service, through the VIA hall to the GO concourse until the proposed major changes can be made.

In the GO concourse itself, two other projects got under way at year end: upgrading of the entrance doors at Bay Street and the TTC subway to withstand heavy use, and replacing of the original concourse carpeting with ceramic tiles to lower upkeep and extend flooring life.



Limited one-track operation through the flyunder began during 1983

Toronto Transportation Terminal Redevelopment

Work on the extensive Toronto Transportation Terminal redevelopment progressed on schedule. Reconstruction begun in 1978 is in the final phase, headed for completion by the end of 1985.

The project is designed to meet anticipated long-range commuter demand by increasing the Toronto terminus' passenger-handling capacity (accomplished with the new GO concourse in Union Station) and relieving the critical rail traffic congestion of the western approaches to the station.

Extensive changes to the approach track network were required to open up the bottleneck at the Bathurst Street junction, and GO's mainline tracks there were increased from two to four in the last fiscal year. Two more mainline tracks, and the two tracks in the flyunder at Spadina Avenue, were installed this fiscal year; limited one-track operation through the flyunder commenced during 1983, and the final phase to complete the second track and connect the flyunder to the Lakeshore line will begin in the spring of 1984. All trackwork, including track-switching installations at

the Bathurst Street junction, will be finished by the end of 1984.

A new signal system will also be installed to control train movements through the redeveloped approaches. The system's design was completed during the fiscal year and accepted by the railways, and work is scheduled to begin in the spring of 1984, with completion by late 1985.

The capital works value of the 1983-84 portion of the project was \$2.8 million. Final cost is estimated at \$55 million for the entire redevelopment, excluding additional, long-term signal upgrading still subject to further negotiation with the railways.

Newmarket Bus Garage

Newmarket Bus Garage's first phase was built in mid-1983 and went into operation in late September.

One of two satellite facilities augmenting GO's main Steepprock garage in Downsview, Newmarket garage is responsible for the cleaning, fueling and minor maintenance of buses in the busy Newmarket/North Yonge corridor. When full support facilities are built in the second phase, other maintenance functions will be transferred from Downsview to minimize deadheading and forestall further expansion at Steepprock.

The garage is sited on 1.9 hectares (4.7 acres) on Highway 11 about 1.6 kilometres north of Highway 9. First-phase facilities include paved parking for 30 buses, with electrical plug-ins for winter layover; staff parking for 54 cars; site illumination; bus fueling and servicing equipment; and two trailers for drivers and maintenance employees.

Overnight storage and maintenance had previously been handled at the old Newmarket terminal on Highway 11 just south of 9. With the growth of the Newmarket corridor, GO had outgrown

the facility, in use since GO Bus service began in 1970, and eventually relocated the passenger and maintenance functions to separate, larger sites. The new Newmarket Bus Terminal, which is located on Highway 9 just west of 11 (Yonge Street), went into service in January 1983 and was officially opened on June 17.

York Region Terminal

Major improvements to York Region Terminal on the North Yonge GO Bus route were approved during the year for construction in 1984-85.

Designed to improve transfer between GO and the TTC, the project will expand the GO terminal's passenger waiting area, add public washrooms, improve ventilation, and install two escalators to improve the present link with the adjoining Finch subway station.

Postponed previously for lack of funds, the expansion will cost \$1.2 million, which will be shared by GO and the Toronto Transit Commission. Design was completed and approved by both bodies during the fiscal year, and construction is scheduled to begin in June 1984 for completion in March 1985.

York Region Terminal is on Yonge Street near Finch Avenue in north Metro Toronto and serves over 10,000 passengers a day on the North Yonge and Bayview services.

Bus Shelter Maintenance

The maintenance of GO Bus shelters by adult rehabilitation groups expanded to encompass most of the bus network.

GO Transit entered into a one-year agreement for \$20,150 with the Ajax chapter of ARC Industries for the cleaning of 27 shelters and the Ajax and Oshawa Highway 401 stops in the Lakeshore East corridor. With this contract, ARC (Adult Rehabilitation Centre) Industries became responsible for maintaining 90 per cent of GO's bus shelters; the program, which prepares handicapped workers for employment in other jobs, began in 1978 on the North Yonge and Bayview routes with an agreement with ARC's Richmond Hill chapter, then expanded in 1982 to take in routes in Mississauga, Milton, Acton and Georgetown as well.

GO personnel are still responsible for maintaining rail shelters and all stations and buildings on the system.

Bus Driver Services

GO's reliance entirely on outside agencies for the supply of bus driver services ended in fiscal 1983-84.

During the year, in its continual quest for improved operational effectiveness and efficiency, GO commissioned a management consultant study of options available for the provision of driver services for the GO Bus operation. The study was completed in October and recommended that GO employ its own drivers and support staff.

In December 1983, after its contract to supply driver services on the Uxbridge and Bayview routes had expired, Travelways Maple Leaf Limited – one of the three companies contracted to operate GO Bus service – requested GO to assume direct operation of these two routes as soon as possible. The transition was completed by the end of January 1984, and on January 29, GO employee drivers began providing service on the two routes – the first since GO Bus operation began in 1970.

At year end, plans were under way to assume driver responsibility eventually on the remaining GO routes.

Special Passenger Needs

GO Transit continued to address the special needs of passengers with impairments who have difficulty using its service.

The program to make travel easier for such passengers has resulted in numerous improvements and policies which may go unnoticed by many commuters. Accomplishments over the years include: ticketing provisions which permit a disabled person and an attendant to travel on a single fare; reserved parking for handicapped passengers; pay telephones with volume-control handsets; upgraded illumination standards for vehicles and facilities; additional handrails and stanchions in the entrances and stairways of new vehicles; and color-contrasting, textured stair treads in stations to assist sight-impaired people.

Although no large-scale projects were undertaken this fiscal year, GO's rail stations and bus terminals are being improved as quickly as funds and construction scope permit.

GO-ALRT Program

Planning and design of GO-ALRT (Advanced Light Rail Transit) service progressed on schedule during the fiscal year.

Announced by the Province in October 1982, GO-ALRT service is designed to meet long-range commuter demand by improving interregional transit in the Hamilton-Toronto-Oshawa area, starting with extension of the present Lakeshore GO line east from Pickering to Oshawa. GO plans to provide ALRT service eventually along the entire Lakeshore between Hamilton and Oshawa, and on a northern route through Toronto connecting Oakville and Pickering on the Lakeshore with the international airport and several municipal city centres in the GO service area.

Technology for the new system – which will operate electric-powered trains on exclusive rights-of-way – is being developed by the Province's Urban Transportation Development Corporation. The GO-ALRT Program established to implement the service is a combined endeavor of the Ontario Ministry of Transportation and Communications



and GO Transit, which will ultimately be the system's operator.

By year end, GO-ALRT's first phase – the 25-kilometre Pickering-Oshawa section – was in the advanced design stage, with construction of the initial segment between Pickering and western Oshawa scheduled to begin in spring 1984; priority will be given to a

6.1-kilometre stretch of track between Ajax and Pickering for the testing of vehicles and control systems before revenue service begins. The initial segment's five stations will be built at Liverpool Road in Pickering (the present terminus of the Lakeshore GO Train); Westney Road in Ajax; Brock Street and Hopkins Street in Whitby; and Stevenson Road in Oshawa. A maintenance

and service facility will be located in Whitby.

Work also progressed on the 34-kilometre Oakville-to-Hamilton section in the west. This extension's first phase received municipal and regional approval in Halton during the year; a recommended route for the segment within Hamilton was presented to the municipalities and design of the Oakville-Burlington segment got under way by year end.

Communications Study

A feasibility study addressing the communications needs of the GO operation began late in the fiscal year.

Recognizing the demands which its growing network and ridership place on its existing communications and control systems, GO commissioned the study to identify immediate and future requirements in conjunction with those of GO-ALRT service.

The study's scope includes the dissemination of information to passengers; safety and security of passengers and employees; maintenance and monitoring of equipment and plant; and the optimal location of control centres. At year end the study was in its initial phase, with the consultant scheduled to submit recommendations for the optimal system within the first quarter of 1984-85; subject to GO accepting the recommended option, the study is scheduled to proceed to the development of an implementation plan in the second phase.

TeleGO

The TeleGO computerized information project was modified because the continuance of major technical difficulties did not warrant any further expenditure.

TeleGO's proven aspects will be applied instead to another project involving GO: development of a computerized "service bureau" to provide any number of transit systems with automated telephone information from a central, coordinated source. The project will test the practicality of such a bureau, using Automated Telephone Information System (ATIS) technology which has already been proven in service for individual transit properties.

The service bureau project will be undertaken and funded by the Ministry of Transportation and Communications, and initially will involve GO and Oakville Transit. If successful, the service bureau could be extended to other municipal transit systems in the GO service area as well.

Security

Criminal incidents on the GO system, especially offenses against the person, decreased slightly this fiscal year over the last. Vandalism losses, meanwhile, after doubling from 1981-82 to 1982-83, remained constant but for a small increase due to inflation in repair costs.

To help curb vandalism and transportation fraud, GO introduced a reward incentive to increase public awareness of such crimes and encourage the reporting of occurrences. The \$100 reward has so far been awarded to four members of the public and two employees of GO's contract operators for their assistance in apprehending and convicting offenders.

This fiscal year was the first full one for the Audit and Security Division created to consolidate functions made all the more important by GO's move toward new areas such as ALRT service and an honor ticketing system. The Division became Personnel, Audit and Security during the year.

Proof Of Payment

A \$390,000 contract was awarded at year end for the testing of a new, simplified ticketing method called POP, for Proof Of Payment.

An honor system, POP will be tested for six months starting in December 1984 on the Milton rail line, after which it will be evaluated for extension systemwide to streamline the ticketing procedure which GO Transit has been using since inception in 1967.

POP involves a concept new to the Toronto area, although used in many cities around the world, and will allow passengers to enter and exit from the GO system without showing a pass or depositing a ticket as they have to now. Passengers will only have to insert their tickets into special canceling machines at their station to enter the system, although GO security staff will be spot-checking for valid tickets and passes.

Included in the contract for POP equipment and support services were 25 ticket-issuing machines which will be tested separately as possible replacements for the obsolete fare registers now used on GO Buses.

Fare Increase

GO fares rose by an average 9.8 per cent on July 1.

Approved by the Provincial Cabinet Committee on Administered Prices, the increase raised GO's fare formula from a fixed base charge of 35 cents plus 5.2 cents a kilometre to 40 cents plus 5.7 cents; as in 1982-83's increase, there was no change in the discount rates for 10-ride ticket books and monthly passes.

The increase is part of GO's continuing effort to meet the 65:35 revenue/operating cost ratio set by Cabinet in 1977. At year end, 58.32 per cent of operating costs were being recovered through passenger fare revenue, an increase of 4.52 per cent over last fiscal year's 53.8 per cent.

Non-Fare Revenue

Revenue from sources other than GO commuter fares amounted to \$3.42 million in 1983-84, compared with \$2.5 million in 1982-83.

Sundry revenue consisted of: \$424,000 from the leasing of commercial space,

mainly in Union Station; rentals totaling \$277,000 for rail rolling stock and \$394,000 for buses; \$284,000 from the sale of advertising space on the GO system; \$227,000 in interest income; and \$1.8 million from other sources, including bus parcel express revenue, commissions for selling other carriers' tickets, and operation of service for Canada's Wonderland.

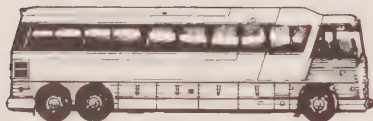
The increase over the previous fiscal year reflects GO's intensified efforts to generate extra revenue to offset general operating costs. In realty services, for instance, GO maximized commercial revenue where possible: as examples, rental revenue in the Union Station concourse was increased substantially by subdividing existing retail space; and at York Region Terminal the expansion of facilities will make additional commercial space available (the construction costs for which will be recovered within two years).



A.F. LEACH
Managing Director
and Secretary

Auditors' Report

To the Members of the Toronto Area Transit Operating Authority, the Minister of Transportation and Communications, and the Provincial Auditor.



North York, Ontario
June 15, 1984

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1984 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Touche Ross & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act, 1974)

BALANCE SHEET AS AT MARCH 31, 1984
(In thousands of dollars)

Assets

Current	1984	1983
Cash	\$ 57	\$ 59
Accounts receivable	1,529	5,330
Deposit with C.N.R.	9,000	8,340
Due from the Province of Ontario	8,346	10,065
Spare parts and supplies	3,639	3,213
Prepaid expenses	286	217
	<u>22,857</u>	<u>27,224</u>
Fixed		
Land	24,850	25,018
Buildings and equipment (Note 2)	173,161	114,921
Leasehold improvements, net of accumulated amortization of \$181 (1983 - \$123)	1,138	1,056
Improvements to railway right of way and railway plant, net of accumulated amortization of \$19,378 (1983 - \$14,110)	86,916	89,231
Construction in progress		
Toronto Transportation Terminal Project (Note 6)	18,226	15,196
Bi-level Commuter Cars	—	33,826
Other	3,588	496
	<u>307,879</u>	<u>279,744</u>
	<u>\$ 330,736</u>	<u>\$ 306,968</u>

Liabilities

Current	1984	1983
Accounts payable and accrued liabilities	\$ 20,122	\$ 24,582
Unearned revenue in respect of tickets sold and not used	<u>568</u>	<u>478</u>
	20,690	25,060

Equity

Province of Ontario	<u>310,046</u>	<u>281,908</u>
	<u>\$ 330,736</u>	<u>\$ 306,968</u>
On behalf of the Members		

L.H. Parsons.

..... Chairman

Kenne Jones

..... Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1984
(In thousands of dollars)

	<u>1984</u>	<u>1983</u>
Equity at beginning of year as previously reported	\$ 282,428	\$ 236,610
Less prior period adjustment (Note 11)	<u>520</u>	<u>520</u>
As restated	281,908	236,090
Capital contribution from the Province of Ontario	42,178	53,175
B.I.L.D. contributions from the Province of Ontario	1,899	4,911
Other M.T.C. contributions from the Province of Ontario	<u>33</u>	<u>111</u>
	326,018	294,287
Amortization of capital contributions	<u>(15,972)</u>	<u>(12,379)</u>
Equity at end of year	<u>\$ 310,046</u>	<u>\$ 281,908</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1984
(In thousands of dollars)

	<u>1984</u>	<u>1983</u>
Revenue		
Commuter services	\$ 43,843	38,367
Sundry revenue (Note 4)	<u>3,419</u>	<u>2,510</u>
	47,262	40,877
Expenses (Note 5)		
Train and bus operations	67,669	62,422
Terminals and plant	26,375	25,460
General and administration	<u>12,401</u>	<u>11,241</u>
	106,445	99,123
Loss from operations	59,183	58,246
Operating subsidy from the Province of Ontario including amortization of capital contributions of \$15,972 (1983 - \$12,379)	<u>59,183</u>	<u>58,246</u>
Net income for the year	<u>\$ —</u>	<u>\$ —</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1984
(In thousands of dollars)

Source of funds	1984	1983
Revenue	\$ 47,262	\$ 40,877
Province of Ontario		
Operating subsidy	43,211	45,867
Capital contribution	44,110	58,197
	<u>134,583</u>	<u>144,941</u>
Decrease in current assets other than cash	4,365	(10,973)
Proceeds on disposal of fixed assets	49	632
	<u>138,997</u>	<u>134,600</u>
Use of funds		
To operations		
Expenses	106,445	99,123
Less items not requiring an outlay of funds		
Depreciation and amortization	15,972	12,379
(Gain) loss on disposal of fixed assets	(17)	106
	<u>90,490</u>	<u>86,638</u>
Capital expenditures — net	44,139	58,579
Decrease in current liabilities	4,370	208
	<u>138,999</u>	<u>145,425</u>
	(2)	(10,825)
Opening cash balance	59	10,884
Ending cash balance	<u>\$ 57</u>	<u>\$ 59</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1984
(In thousands of dollars)

1. Summary of significant accounting policies

a. General

These financial statements are prepared on the accrual basis using generally accepted accounting principles.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost.

c. Fixed assets

Fixed assets are valued at cost.

Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975 was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their estimated useful lives on a straight line basis. Depreciation for locomotives and auxiliary power control units is calculated using a straight line rate applied to cost plus an estimation of future overhaul costs.

Fixed asset categories and their corresponding depreciation and amortization rates are as follows:

Buildings and equipment	
Shelters and ticket booths	5 years
Other buildings	20 years
Locomotives and auxiliary power control units	25 years
Other railway rolling stock	25 years
Buses	12 years
Parking lots	20 years
Sundry - Furniture and fixtures	12 years
- Other	3-5 years
Improvements to rail right of way and railway plant	20 years
Leasehold improvements	20 years

When an asset is sold or otherwise disposed of, the costs and accumulated depreciation pertaining to that asset are removed from the accounts and a gain or loss is recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are reflected in the balance sheet as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful lives of the related assets.

2. Buildings and equipment

	1984		1983	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 28,623	\$ 7,350	\$ 21,273	\$ 22,646
Locomotive and auxiliary power control units	24,978	10,050	14,928	15,629
Other railway rolling stock	148,060	25,482	122,578	60,589
Buses	17,971	9,885	8,086	9,479
Parking lots	5,690	1,653	4,037	4,133
Sundry	4,103	1,844	2,259	2,445
	<u>\$229,425</u>	<u>\$56,264</u>	<u>\$173,161</u>	<u>\$114,921</u>

3. Operating agreements

Substantially all of the services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements.

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	To December 31, 1984
Charterways Transportation Limited	December 1, 1983 to December 31, 1984
Canadian Pacific Limited	October 26, 1981 to October 25, 1991

4. Sundry revenue

The details of sundry revenue are as follows:

	1984	1983
Other income	\$ 1,351	\$ 1,445
Interest income	227	410
Equipment rentals	1,557	463
Advertising revenue	284	192
	<u>\$ 3,419</u>	<u>\$ 2,510</u>

5. Expenses

The details of expenses are as follows:

	1984	1983
Salaries, wages and fringe benefits	\$ 14,622	\$ 13,173
Payments to outside parties for operation of services	43,564	38,856
Fuel and oil	7,222	8,921
Other expenses	15,629	15,050
	<u>81,037</u>	<u>76,000</u>
Leases, rentals and user charges	9,436	10,744
Depreciation and amortization	15,972	12,379
Total expenses	<u>\$ 106,445</u>	<u>\$ 99,123</u>

Of the total expenses above, \$81,037 (1983 - \$76,000) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established as 65% of the recoverable expenses. In 1984, total revenue amounted to \$47,262 (1983 - \$40,877) and represents a recovery of 58.3% (1983 - 53.8%) of the recoverable expenses.

6. Commitments

a) Leases

Minimum operating lease payments in each of the next five years and in aggregate are as follows:

1984-1985	\$ 1,378
1985-1986	1,070
1986-1987	934
1987-1988	906
1988-1989	887
Thereafter	<u>5,826</u>
	<u>\$11,001</u>

b) Capital

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

The nature and amount of capital commitments undertaken by the Authority, net of payments made to March 31, 1984, are outlined below.

Agreements for the development of the Toronto Transportation Terminal Project

\$14,537

7. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

8. Fixed assets review

The Authority undertook a major review of its fixed assets during the year. This review was made in conjunction with a program to computerize the fixed asset records. During the course of this work some assets were reclassified. An additional depreciation charge amounting to \$518 was passed to reflect the changes made to fixed assets in 1983/84.

9. Revised statement presentation

The Authority has changed the statement of changes in financial position from one in which funds are defined as working capital to one in which funds are defined as cash. The change was made to enhance the usefulness of the statement.

10. Comparative figures

Certain comparative figures have been restated to conform with the 1984 financial statement presentation.

11. Prior period adjustment

A certain portion of the land in Pickering acquired by the Authority prior to this year was transferred from the Ministry of Transportation and Communications at an appraised value as the final cost of the land had not as yet been determined. Subsequent to that time it was determined that the cumulative value of the land transferred was \$520 in excess of the actual cost of the land. This \$520 has been removed from the land account and the Province of Ontario Equity account by way of this prior period adjustment.

Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is a voluntary association (empowered by legislation) of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

G. HERREMA
Chairman, Council of
The Regional Municipality of Durham

P.D. POMEROY
Chairman, Council of
The Regional Municipality of Halton

A. ROMAN
Chairman, Council of
The Regional Municipality of York

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

A.M. ROBINSON
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

H.W. CLELLAND
Director, Development, Engineering and Plant

R.J. DESJARDINS
Director, Personnel, Audit and Security

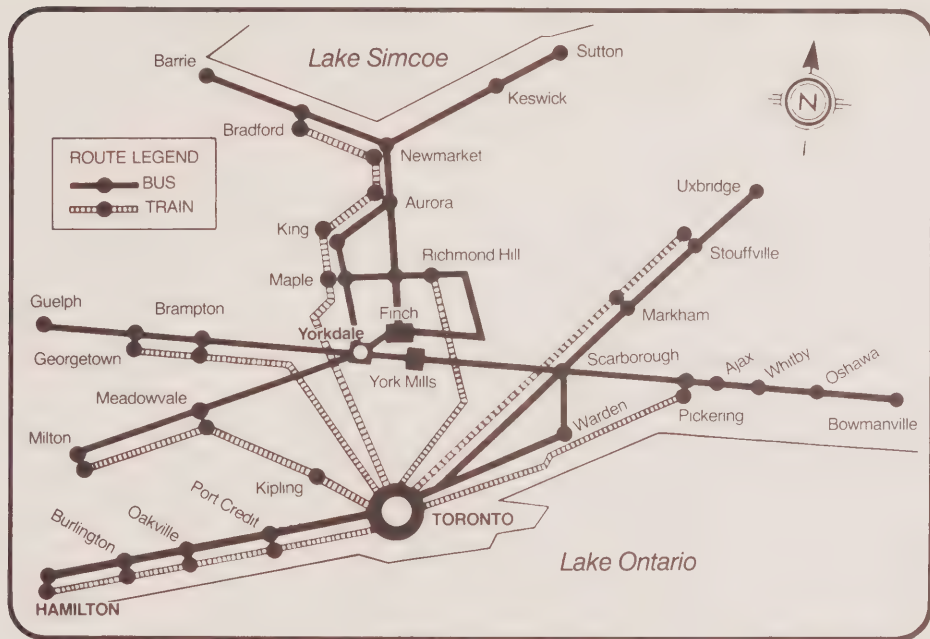
H.D. MOSHER
Director, Services

D.A. SUTHERLAND
Deputy Executive Director, GO-ALRT Program

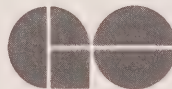
J.M. BURWELL
Director, Finance, GO-ALRT Program

GO TRANSIT

555 Wilson Avenue, Downsview, Ontario, Canada M3H 5Y6 (416) 630-5220



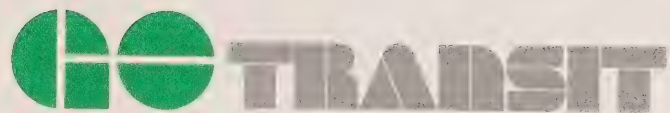
The GO Train and
GO Bus network at
March 31, 1984





Ontario

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Annual Report

For the year ended March 31, 1985



Toronto Area Transit Operating Authority



GO TRANSIT

555 Wilson Avenue* Downsview, Ontario M3H 5Y6
(416) 630-5220 Telex 06-217508

May 31, 1985

The Honourable George R. McCague
Minister of Transportation
and Communications
Ferguson Block
Queen's Park
Toronto, Ontario
M7A 1Z8

Dear Mr. Minister:

It is my honor, on behalf of the Members of the Board, to
present the 1984-85 annual report of the Toronto Area Transit
Operating Authority.

It is also my pleasure to extend our thanks to you and your
staff at the Ministry of Transportation and Communications for
your continuing co-operation and assistance, a special
relationship which we at GO Transit hope will continue to grow.

Respectfully submitted,

L.H. Parsons
Chairman



Office of the
Minister

Ministry of
Transportation and
Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416 985-2101

June 3, 1985

The Honourable John Black Aird
Lieutenant Governor of Ontario
Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

May It Please Your Honour:

I have the privilege of presenting for the information of
Your Honour and the Legislative Assembly the report of the
activities of the Toronto Area Transit Operating Authority
for the year ended March 31, 1985.

Respectfully submitted,

George R. McCague
Minister

Chairman's Summary

A big step in the maturing of GO Transit was taken this fiscal year.

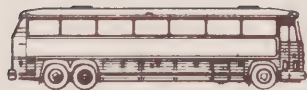
GO began gradually assuming direct operation of its own bus service from Gray Coach Lines, which historically has been the major provider, under contract, of driver and support services for GO. After intensive negotiation, GO reached a workable agreement this year with Gray Coach and its union which should allow this transition to take place, corridor by corridor, over the next few years; when the change-over is completed, all of GO's bus routes will be driven by GO employees, and all the planning, administering, and actual operating of bus service will be handled entirely by GO.

This phasing-out of contracted services is a natural stage in the development of a transit system that, from humble beginnings as a single rail line nearly two decades ago, in 1967, has flourished into an extensive network of integrated rail *and* bus service. Once regarded primarily as an extension of the GO Train, the GO Bus operation has grown into a full-fledged network in its own right, complementing rail service and also providing transportation where train service is

not, or cannot be made, available; it has come a long way since its inception in 1970.

What may have been ideal then, however, is not necessarily the best arrangement for the 1980s — or the future. Reliance on outside agencies to provide bus driver services, in fact, prevents GO from being master of its own affairs. The desire to change, however, is not so much that GO feels such agencies cannot perform the same functions efficiently; it is rather GO's sincere belief that only by exercising complete control over all aspects of its operation can it fully serve the best interests of the public.

The weaning process actually began several fiscal years ago, in 1979, when GO first hired its own staff for ticket sales and collection and for bus equipment maintenance, and assumed the direct administration of its ticket agency operation as well. The first bus drivers to work for GO began driving in January 1984 on the Uxbridge and Bayview routes formerly operated by Travelways. This fiscal year, GO reached accord with Gray Coach and finalized plans for the multi-year phase-in for the rest of the bus



network; by year end, GO had taken over central radio dispatch for the whole bus operation, and had hired drivers and support staff in preparation for taking over the Newmarket corridor in April 1985. All the new drivers are experienced personnel, many having come to GO from Gray Coach and the TTC, and GO is confident they will continue delivering the high-quality service its passengers have come to expect in this and all other corridors. The standard of excellence set by Gray Coach will be one that GO's own drivers will strive to emulate.

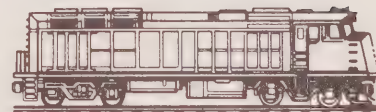
Another notable highlight of this past fiscal year was the attainment of the highest revenue/cost ratio ever. Improving on the ratios achieved in the previous two years, GO recovered 60.4 per cent of its operating costs through revenue, coming closer to the target ratio of 65:35 set by Cabinet in 1977. Moving towards this goal has been a slow process, hampered by inflation during the recent recession, but the coming years should see an even greater proportion of the cost of providing service borne by the user — the fairest way to pay for public transit, keeping subsidy from the general tax purse to the minimum.

The year will also be remembered for its special occasions: the Royal Tour, the Tall Ships cavalcade, and the once-in-a-lifetime Papal visit. GO Transit, together with the TTC and other operators, provided efficient transportation for these events, preventing Toronto from turning into one massive, chaotic traffic jam. GO intends to keep providing such special service as needed in the future, offering the public an affordable alternative to driving.

For all these efforts, and the progress made in the past year, I would like to thank everyone involved — new and old staff, the contract operators, the Board Members. I am sure that the spirit of co-operation and dedication shown by all will continue to thrive.

Lou Parsons

L.H. PARSONS
Chairman



Managing Director's Report

Ridership

GO Transit's ridership increased modestly in 1984-85, but the growth rate was slower than in the last few fiscal years.

The number of passengers carried on the system during the year totalled just over 25 million, compared to 24.4 million trips in 1983-84; the rail operation was responsible for 14.7 million trips and bus for 10.3 million of the total.

Average weekday ridership at year end stood at 89,000 passenger trips system-wide, up from 87,550 last year and 83,750 the year before that; GO Trains accounted for 54,750 trips, a modest gain over 1983-84's 53,200, and GO Buses for 34,250, slightly fewer than last year's 34,350.

Reversing the trend of the past few years, the rate of growth became greater once again in the rail operation. The bus system had surpassed rail in this respect for four consecutive fiscal years, but in 1984-85 its percentage increase in ridership was only 1 per cent, while rail regained its traditional edge with 3.9 per cent, and the system increased by 2.7 per cent overall.

The greatest growth on the rail system occurred again in the Stouffville and Milton corridors. The Stouffville line's carryings increased by 18.8 per cent over last year, and the Milton service registered a 15.5-per-cent increase. Not as dramatic but still substantial were the percentage increases in the other corridors: 7.4 per cent for the Richmond Hill service, 5.8 for Georgetown, 3.4 for Bradford, and 2.1 for the Lakeshore line. In sheer numbers of passengers carried, though, the Lakeshore increase was the most significant: the 2.1 per cent equates to an additional 230,000 trips over last year's total. The Milton service was next with a gain of 170,000 trips, attributable partly to the Mississauga Transit strike of October-November.

On the bus side, the services with the most passengers experienced the highest growth rates. The Hamilton QEW City Link, Brampton/Bramalea, and Oshawa Highway 2 services racked up increases ranging from 3.6 to 4.2 per cent. The exception to this tendency was the North Yonge C service, the route with the highest ridership in the bus system:

its carryings stayed at the previous year's level. Healthy increases also took place in the Pickering train meet and Bayview services.

Ridership decreased in the Lakeshore West bus service between Hamilton and Toronto (perhaps because of a shift to the popular QEW City Link service, to the Lakeshore GO Train, and to local transit services connecting with the train); patronage also declined in the services to Bowmanville, Uxbridge, and other locations on the fringe of the Metro Toronto commutershed.

Fare integration ridership, meanwhile, has levelled off, with about 4,000 passengers daily taking advantage of the integrated fares arrangement GO has with the Brampton, Oakville, Burlington, Mississauga, and Pickering municipal transit systems. This program encourages use of public transit all the way between home and destination by allowing either free or discounted transfer between the GO Train and the local bus in these communities.

Special Events Service

1984-85 was memorable for special occasions. This was the year the Tall Ships came to town, then Pope John Paul II, then Queen Elizabeth and the Duke of Edinburgh.

GO Transit played a major role in supplying transportation for the throngs on each occasion.

The visit of the Tall Ships in July served as a practice run for the Papal visit and produced a ridership record for GO. With staff and train size beefed up to the maximum, GO set a one-day record for the Lakeshore rail line on Saturday, July 7, when the Tall Ships staged their sailpast on the Toronto waterfront. GO Trains carried more than 100,000 passengers that day and another 60,000 the next — whereas on a commuting weekday the Lakeshore service only handles an average 40,000 trips.

No records were set three months later during the Papal visit because crowds were smaller than expected, as was the case elsewhere in Canada. Still, the events of the two-day visit to Toronto attracted sizeable numbers of people, and GO service provided a convenient means of transportation for many.

Service was greatly intensified on Saturday, September 15 for the Pope's celebration of mass at Downsview air base. Lakeshore GO Trains operated at rush-hour frequency, unprecedented for a weekend, to connect with TTC subway service to the mass, while a special train shuttle ran between the mass site and a bus assembly area in Langstaff to the north; the Langstaff shuttle proved especially valuable to out-of-town visitors, transporting some 30,000 passengers from their buses directly to the mass and back again.

Later in September, the Royal visit, postponed from July because of the Federal election campaign, again offered GO the opportunity to provide spectators with an alternative to driving. Train service was stepped up for the tour's highlight, the Royal Salute tattoo of massed bands at Exhibition Stadium on September 29.

Although these gala events tended to steal the limelight from the year's other attractions, 1984-85 was busy throughout for GO's off-peak services.

GO Transit again operated regular and special service for a wide variety of attractions, including Argonaut and Blue

Jay home games, the Canadian Open golf championship, Canada's Wonderland, the Canadian National Exhibition, Ontario Place, and numerous shows through the year at Exhibition Place.

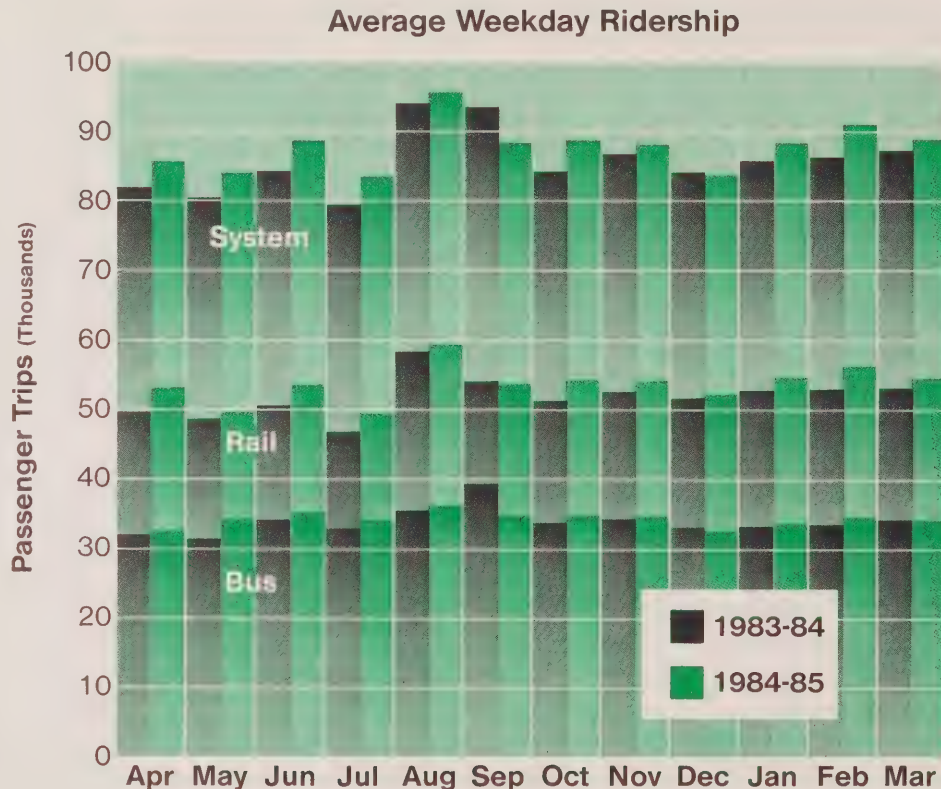
Of note was the introduction in mid-May of "baseball specials" for the 1984 Blue Jay season: extra homebound trains waiting at Exhibition station at the end of every home game, a custom service which was already being run for Argo games. GO handled 311,000 rides this season, up by 54,000 from the year before; Blue Jay attendance rose by 7,000. Argo patronage, however, slumped by 50,000 compared to 1983, but GO still handled 68,000 rides for the season.

Attendance at the Canadian National Exhibition also dropped, partly because of bad weather over the Labor Day weekend, traditionally the three busiest days of the CNE. GO Trains carried nearly 80,000 fewer passengers as a result — from 546,400 during the 1983 CNE to 466,800 in 1984; but GO's share of the gate rose again, to 11.1 per cent of total show attendance (compared to 10.8 the year before).

GO ridership, meanwhile, reached a record 325,000 passenger trips in the 1984 Canada's Wonderland season — 4 per cent more than in 1983. The express shuttle bus service was in its fourth successive year of operation, which is provided under contract to the theme park.

Such off-peak events have become increasingly important in recent years because of their potential for generating revenue to help offset GO's overall operating costs. These events are becoming more numerous, and total attendance is soaring. Since many of them take place in locales on GO Transit routes (like Exhibition Place, the new Metro Toronto Convention Centre, and the International Centre in Malton), GO is in an excellent position to increase its off-peak carryings with relatively little extra cost.

Recognizing this potential, GO has stepped up the marketing of its off-peak services in the last two fiscal years. Mutually-beneficial promotions were developed with several major event organizers during 1984-85, with favorable results, and GO plans to continue such joint campaigns in succeeding years.



Rail Operation

The Papal and Royal visits and a major, four-year rehabilitation of track on the Lakeshore line were the main concerns of the GO rail operation in 1984-85.

GO Transit mounted the most intensive special operation in its history in September for the Pope's visit to Toronto — a service plan that was months in the making in conjunction with such agencies as the Papal Secretariat and the Toronto Transit Commission. The high point of the visit was the Downsview mass on Saturday, September 15, and, as an integral part of the transportation network for the occasion, GO provided rush-hour-level train service on the Lakeshore and ran a special train shuttle directly into the mass grounds.

The operation involved not only GO's rail personnel but also those of other branches and of GO's contract operators. Over 950 persons played a role in making the special services run smoothly: everyone from Gray Coach drivers and CN and CP Rail employees to GO's own drivers, mechanics, ticket staff, telephone information guides, and head office volunteers. All 151 GO bi-levels in

15 trainsets were in use that day, as were most of GO's 185 buses.

The Royal tour later that month drew much smaller crowds but nevertheless demanded extra capacity of GO. Larger trains operated on the Lakeshore on September 29-30 for the Toronto visit, which included a downtown motorcade and a military band tattoo at Exhibition Stadium.

The Tall Ships visit in July also placed extra demands on GO to handle the thousands of spectators converging on the Toronto lakefront for the spectacular.

During the summer of 1984, CN Rail began a major track reconstruction program on the Lakeshore line — work which will continue for the next three summers. The program will replace all ballast under the mainline tracks, first on the Lakeshore East, then the Lakeshore West, and will then install new, welded rail on the east end. Summer 1984's preparatory work was confined to track-age in front of GO station platforms, where ballast deterioration is the most severe because of salt damage.

The big job, along the rest of the corridor east from Union Station, will begin in

April 1985, replacing not only ballast but over 40,000 ties as well. Major disruptions to off-peak service are expected to occur, since one of two tracks will be out of action during work periods, forcing both eastbound and westbound trains to share the same track; no work will be done during rush hours, but GO Trains will still face long stretches of track at restricted speeds.

To temper the impact of the program on its operation, GO worked with CN to formulate a service strategy which would reduce disruptions and inconvenience to passengers. The plan included adding an extra trainset in the off-peak to prevent delays from spilling over onto the Lakeshore West.

Toward year end, GO began working with the railways on another problem which beset its operation. Wind velocity and snow build-up at the west end of Union Station have worsened since the erection of the convention centre complex on Front Street, which acts like a giant snow fence immediately next to the switch complex controlling train access to the station. The problem was especially severe during the season's big blizzard of March 4 (which, inciden-

tally, forced GO to take the unprecedented step of suspending virtually all service for a few hours at midday). The railways and GO are investigating the situation and will work towards improving it before next winter.

As in the past, GO again adjusted service, bus as well as rail, to meet ridership demands during the Christmas-New Year holiday season; special service was again provided for Exhibition station all year for a variety of attractions; and the off-peak leasing of spare rolling stock to other operators continued as part of GO's efforts to generate extra revenue.

Bus Operation

Extensive preparations were made during the year for the hiring of bus drivers and support staff to replace those contracted from Gray Coach Lines.

Plans for a multi-year phase-in, recommended in a consultant's study prepared last year, were developed this fiscal year after much negotiation with Gray Coach, its union, and the union representing GO Transit employees.

The first phase was carried out in January 1985 with GO's assuming central

radio dispatch for the entire bus operation from Gray Coach. By year end, 70 drivers and five route inspectors had been hired, and GO was poised to take over direct operation of the Newmarket corridor in April 1985. Control of the bus system's other four corridors will be phased in year by year, and when fully implemented, direct operation of its bus services is expected to save GO substantial amounts annually over the cost of the present, contracted service arrangement.

The phasing out of contracted bus services is just one facet of GO's continuing quest for improving operational effectiveness and efficiency. Gradually assuming direct control of its entire operation began several years ago when GO first hired its own staff for all ticket sales and collection and the maintenance of bus equipment.

The hiring of its own bus drivers had actually begun in fiscal 1983-84, when GO took over the operation of its Bayview and Uxbridge routes from Travelways. With drivers on staff, GO held its first bus rodeo — a test of driver skill and professionalism — in May 1984, with the winner representing GO in the

national championship later that summer in Newfoundland. Plans were under way at year end for the 1985 GO rodeo.

Service adjustments made in this year's semi-annual timetable revisions were mainly minor. The most substantial changes were the April upgrading of evening westbound service on the QEW City Link expresses between Toronto and Hamilton, and the increase in frequency on the Bayview service between Finch subway and Richmond Hill in October.

The major change took place at year end in the Uxbridge corridor. Service was revamped significantly on March 23 to tie in with the opening of the TTC's Scarborough RT light rail line, which became the transit alternative for passengers in this corridor.

The change was made in line with the bus operating philosophy which GO adopted in 1976 and has progressively applied to all corridors as viable alternative transit means came into being. The philosophy is based on the inefficiency — and cost — of running downtown Toronto GO Bus service in competition with the TTC; by restructuring its ser-

Passenger and Route Statistics						
Corridor	Passengers Carried (Thousands)		Route Kilometres Operated (At year end)		Kilometres Operated (Thousands)	
	1984-85	1983-84	1984-85	1983-84	1984-85	1983-84
Rail						
Lakeshore	11,148	10,918	97	97	1,356	1,340
Georgetown	1,355	1,281	47	47	94	94
Richmond Hill	505	470	34	34	92	92
Milton	1,269	1,099	50	50	114	114
Bradford	184	178	67	67	32	32
Stouffville	240	202	46	46	28	28
Total	14,701	14,148	341	341	1,716	1,700
Bus						
Hamilton	2,202	2,217	178	178	4,034	3,893
Milton	160	157	60	60	437	434
Georgetown	1,350	1,319	217	217	2,334	2,241
Newmarket	3,921	3,913	323	323	3,688	3,594
Uxbridge	133	137	124	148	422	418
Oshawa	2,244	2,179	172	172	2,648	2,586
Canada's Wonderland	325	312	29	29	433	399
Total	10,335	10,234	1,103	1,127	13,996	13,565
System	25,036	24,382	1,444	1,468	15,712	15,265

vices to feed into suburban TTC terminals instead, GO has since made much better use of buses and drivers, allowing it to provide, under its mandate, more service between Metro Toronto and the surrounding regions.

With the Uxbridge revamping, all mid-day, evening, and weekend trips in the corridor now originate or terminate at the new TTC terminal at Scarborough City Centre, rather than operate into downtown Toronto. Rush-hour express-es still run downtown, but with minor schedule changes designed to acknowledge worsening traffic conditions on the Don Valley Parkway; GO's downtown bus surcharge of 60 cents per trip now applies to this express service. Also, the revamping resulted in an additional off-peak weekday trip as well as the doubling of weekend service levels.

Other areas of involvement for the bus operation in fiscal 1984-85 included contract service for Canada's Wonderland; holiday service adjustments during Christmas and New Year's; and providing bus feeds for special rail services for events ranging from the Papal visit to football and baseball home games.

Rail Rolling Stock

The sale of 20 surplus single-level rail cars, part of the original 1967 fleet, was effected during the year. The Ontario Northland Transportation Commission's purchase at \$200,000 a car was approved by Cabinet in December, and the transaction will be completed once details on the supply of spare parts and GO support services have been worked out. The ONTC plans to convert the cars into modern, intercity coaches to replace aging equipment on the Ontario Northland Railway's Polar Bear Express.

Two leases of spare single-levels, netting GO approximately US\$5 million in revenue over three years, were in force with two rail properties in the United States. One of the leases, however, was being renegotiated at year end, with the Massachusetts Bay Transportation Authority seeking to terminate its three-year rental of 53 coaches for Boston-area commuter service. The other lease, finalized in early 1984, is for 14 coaches for 18 months to the Maryland Department of Transportation; these cars are operating in commuter service in the Washington, D.C. area.

In the summer of 1984, GO bi-levels made their debut in Quebec in another lease. As part of Quebec's 450th anniversary, Le Tortillard du Saint Laurent leased six bi-levels for a tourist train run along the north shore of the Saint Lawrence River, between Quebec City and Pointe-au-Pic. Le Tortillard plans to lease GO coaches again, if available, in the summer of 1985.



During the fiscal year, GO participated in a study by the Ontario Research Foundation on the power requirements of its coaches. Two GO Trains were equipped with instruments to monitor the power required for lighting and air-conditioning in hot weather; peak heating requirements will be monitored in the winter of 1985 in the study's second phase. The goal is to evaluate existing equipment and determine how costs can be reduced, such as through the matching of power-generating capacity to load requirements.

Locomotive backshopping progressed during 1984-1985, the second of three years in a program to overhaul 11 units to virtually new condition. The GP40-2 locomotives had all been purchased in 1974-75; six units were completed this fiscal year, and two more are scheduled for backshopping in 1985-86.

Bus Equipment

Five new, 40-foot Orion buses — the newest model from Mississauga's Ontario Bus Industries — were bought for service on the high-frequency North Yonge and Bayview routes. Seating 48 passengers each, the buses are equipped with front and centre doors for city-transit-style operation and feature the latest in engine and electronic transmission technology for a smooth ride. Net price of the purchase, which included trading in six 30-foot Orions, was \$575,000. The new buses went into service in February, bringing the GO Bus fleet total to 184 vehicles.

GO Buses on the exact-cash North Yonge and Bayview routes also had their aging fareboxes replaced during the year. And on the Milton, Georgetown, and Uxbridge corridors, 21 buses were

outfitted with new, microprocessor ticket-issuers to replace obsolete, mechanical fare registers.

The Australian-made Bus Ticket Issuing (BTI) machines are being tested for six months in GO service and, if proven reliable, will be installed in the rest of the fleet and possibly in GO ticket agencies as well. The new equipment is a spin-off of the Proof Of Payment honor fare system which will be tested on the Milton rail line in May 1985; the BTIs, with their built-in memory, are capable of numerous functions which not only free drivers from such time-consuming tasks as calculating fares but also provide statistical data for accounting and service planning.

In the ongoing refurbishing of GO Buses, 25 more vehicles were overhauled during the year. The buses underwent major structural repair to enhance appearance and extend service life by at least six years. The work included everything from engine frame reinforcement and corrosion damage repair to the replacement of worn flooring and complete exterior repainting in the latest GO Bus livery.

Equipment Maintenance

Nearly \$2 million worth of improvements was made to upgrade equipment maintenance facilities at GO's Willowbrook depot and its Steeprock and Hamilton bus garages.

The Willowbrook work, which totalled \$799,000, consisted of construction of a new sand tower for locomotive servicing; a six-coach outside repair track; an additional fuelling island; and a 50-ton drop table in the diesel repair shop. (The drop table, installed for \$250,000, enables the changing out of defective locomotive traction motors to be done more cost-effectively now at Willowbrook than at CN shops elsewhere.) Also erected was a six-foot-high fence along the north and south perimeters to make Willowbrook more secure against vandals.

Further improvements planned for fiscal 1985-86 include yard repaving; renovations to create extra office, storage, and other work space; and construction of a separate building and compound for plant maintenance equipment and personnel.

The Steeprock improvements, which

cost \$950,000, were necessitated by the continuing growth of GO Bus operations. The garage is the main one for GO, and all of its buses are cycled through it at one time or another for periodic maintenance. The improvements included general functional streamlining, expansion of administrative space, enlargement and modernization of the stockroom, and installation of underground tanks for the bulk storage of fluids.

At Hamilton, one of GO's two satellite garages, renovations costing \$185,000 were made to extend the life of the building, which was built in 1927 and acquired by GO last fiscal year. The work included a new roof and interior ceiling, masonry restoration, extension of the service pit, and various improvements to equipment facilities.

Rail Stations

Various improvements to platforms, parking lots, and other facilities were undertaken during the fiscal year at GO stations throughout the rail network.

New-style platform shelters were erected for \$206,000 on the Georgetown line, completing a two-year program to provide shelter space for each station's

peak needs. GO expects the new shelters will more than house the peak number of passengers for any one train at any one station; the structures give shelter to 320 passengers in total, and partial cover is provided too by the large roof overhangs. Two configurations were built: single modules holding 22-25 persons and double ones housing about 45 passengers each.

Exhibition station on the Lakeshore was renovated for \$170,000 in the first of two years of improvements. The upgrading will speed up the movement of passengers through the busy station, which is open daily all summer, and for numerous special events through the rest of the year. Two new ticket kiosks were built as part of this year's work; plans for fiscal 1985-86 include repaving of the station's two platforms and upgrading of its public address system.

At Port Credit, \$320,000 in improvements were made to provide better access to the platform and to the station building. The work consisted of construction of an additional platform stairway; a new pedestrian tunnel connecting with the north parking lot; and a ticket booth to serve the new north access

during peak hours and special-event service. The station's parking lot was resurfaced too.

The parking lots of six other stations were also resurfaced in this year's pavement rehabilitation program: Clarkson, Long Branch, Eglinton, Rouge Hill, Malton, and Georgetown. About 1,800 spaces were repaved in all (including Port Credit) for \$432,000. Further repaving will be done in 1985, with completion by the end of July, at Rouge Hill, Guildwood, Eglinton, Mimico, and Georgetown stations.

With closing of the 539-space north parking lot at Pickering to make way for GO-ALRT construction, GO acquired property next to the station and extended the south lot by 222 spaces for a total of 1,272. Still, a net 317 spaces were lost, but stations on the new GO-ALRT service are expected to provide adequate capacity for commuters east of Pickering. Construction of the new spaces cost \$195,000, and property, \$381,000.

Milton station's parking capacity doubled during the year in a \$99,000 expansion which added 165 parking spaces just

north of the existing lot for a total of 331 spaces.

Agincourt's gravel parking lot was paved, and a paved walkway was built to connect the lot with the station building, improving transfer for passengers between the GO Train and the TTC bus.

Other work in 1984-85 included the resurfacing of the platform at Bramalea station.



Bus Terminals

A major expansion of York Region Terminal began during the year, and an intercity bus terminal was built at Scarborough City Centre.

Completed in January 1985, the first phase of the York Region Terminal reconstruction expanded passenger waiting space, added public washrooms, improved ventilation, and relocated the GO ticket agency to make room for two escalators in the second phase. The escalators will improve transfer to the

adjoining Finch subway station and will be installed by July 1985.

Final cost of the project, which has been long overdue but postponed for lack of funds, is estimated at \$1.2 million, of which about \$625,000 will be borne by the Toronto Transit Commission as its share of the expansion's common facilities. The terminal is on Yonge Street in north Toronto and serves over 10,000 passengers a day on the North Yonge and Bayview GO Bus routes.

The new GO terminal at Scarborough City Centre greatly improved amenities for passengers on the Uxbridge and Oshawa-Toronto services. Part of the TTC's Scarborough Centre station on the new Scarborough RT light rail line, the \$337,000 facility comprises six bays for both GO and intercity buses and went into service in October. Still under construction at year end were a large, heated shelter for 65 passengers, which will open for use in April 1985, and a GO agency and concession area scheduled for completion by mid-May.

Other construction during the year included the installing of 18 new shelters for \$36,000 on various routes through-

out the bus network. Similar work will be carried out in fiscal 1985-86 in the ongoing program to meet passenger shelter needs.

A study was also undertaken to identify the improvements needed for Hamilton Bus Terminal, which was built in 1954 and which GO renovated in 1980 after taking over its operation. The additional upgrading is necessary to maintain the building in operating condition for another 10 years, but GO will also investigate the option of building an entirely new terminal for downtown Hamilton.

Union Station

Major work on platform access inside the trainshed at Union Station progressed on schedule.

The \$3-million upgrading, the latest improvements since the GO concourse opened in 1979, is part of a three-year program estimated to cost \$8.5 million. The station is used by 95 per cent of all GO Train riders, or over 50,000 passengers every weekday, and continues to be improved to increase operational capability, speed up passenger flow, and improve access to street and subway.

This first phase will refurbish a platform for GO's use by upgrading and adding stairs and installing an escalator (for a station total of three); when the improvements are finished in July 1985, GO Trains will have the use of four platforms at Union instead of the present three. The mezzanine inside the concourse will be extended to serve the new platform. And station communications and signage will be expanded and improved with a new public address system and new closed-circuit television cameras inside the trainshed; a new electronic information display system is also being developed for installation in the fall of 1985.

The next phase will extend an existing GO platform and connect it directly to Front Street via an elevated pedestrian walkway. This work is scheduled to start early in 1986, provided sufficient funding is made available for the overall improvements program. Also planned is construction of a second link between the concourse and the TTC subway; final details have yet to be worked out, but the project should proceed once the TTC finalizes plans for its Harbourfront light rail line to Union Station.

Toronto Transportation Terminal

The multi-year Toronto Transportation Terminal redevelopment begun in 1978 drew near completion.

Designed to meet long-range demands, the project first expanded the Toronto rail terminus' passenger-handling capacity in 1978-79 by building the new GO concourse in Union Station. Extensive track and switch work has since been carried out to relieve the bottleneck in the western approaches to the station, and the entire reconstruction will be completed by the spring of 1986. Further improvements after that will then be made only after successful negotiation and planning with the railways.

Work completed in recent fiscal years included increasing the mainline tracks at the Bathurst Street bottleneck from two to six, and constructing a flyunder between Spadina Avenue and Bathurst to bring GO Trains under the tracks used by other rail traffic. The flyunder will go into service in April 1985. Construction commenced this fiscal year on a new

signal system for the entire approach corridor, scheduled for substantial completion by December 1985 and final testing in the spring of 1986.

About \$2.2 million in signal work and over \$1.6 million in track and switch installation were completed in 1984-85; total capital works for the fiscal year amounted to \$4.4 million, and an estimated \$10 million in signal and track work will be spent in 1985-86 to complete the project.

Security

Criminal offences against passengers and their property, in the form of assaults and car burglaries, decreased again this fiscal year. But the number of charges laid for transportation fraud jumped by 125 per cent over the previous year, partly because of an increase in GO's security force.

Vandalism on the GO system also increased, with 75 more incidents than the year before and damage costs increas-

ing by over \$39,000; more than \$37,000 worth was incurred in three major incidents alone at Willowbrook in April and July. The overall financial impact on GO, however, was lessened with the recovery of more than \$18,000 (a 313-per cent increase over last year) through accident and criminal investigations in general.

Toward year end, GO began gearing up for the introduction of the Proof Of Payment honor fare system on the Milton line; and in the last few days of the fiscal year, it became involved in preparations for a massive security operation to counter a terrorist bomb threat to Metropolitan Toronto's transit system.

Proof Of Payment

Delays in the supply of equipment postponed the Proof Of Payment experiment for five months to the 1985-86 fiscal year.

Known simply by its acronym, the POP honor fare system will now be introduced in May 1985 for a trial six months on the Milton rail line. If the test achieves the expected results, POP will then eventually be extended to the rest of the GO

Train network and possibly to the GO Bus operation as well.

Although proven in Europe, the concept is relatively new to North America, and the GO application will be the first to encompass variable fares. Passengers will no longer have to deposit a ticket or show a pass every time on entry or exit, and will have to produce these — proof of payment of fare — only when asked to by GO security officers in random checks of the paid area.

The POP system will thus speed up passenger flow through stations and also allow GO to open up extra entrances and exits economically to handle ridership growth. As well, it will streamline the present ticketing procedure, which involves using high-cost ticket stock and does not lend itself to the collection of statistics for service planning (as POP's microprocessor equipment will).

The \$390,000 contract for POP hardware and support services awarded last fiscal year includes the supply of microprocessor bus ticket-issuers for separate testing as replacements for GO's obsolete, mechanical fare registers.

Fare Increase

GO Transit's fares rose by an average 5.07 per cent on July 1.

The increase raised GO's two-part fare formula from a fixed base charge of 40 cents plus 5.7 cents a kilometre to 42 cents plus 6 cents — an increase of 5 per cent in the fixed charge and 5.3 per cent in the distance charge.

Actual single-ticket price increases ranged from 4 to 8 per cent, since GO fares are rounded to the nearest five cents. The minimum rail fare remained unchanged, as did the discount rates for 10-ride tickets and adult monthly passes at 10.5 and 22.5 per cent off the single-ticket price.

The increase was designed to enable recovery of about 60 per cent of operating costs through revenue this year, coming closer to the 65:35 revenue/cost ratio target set by Cabinet in 1977. The actual rate attained was 60.4 per cent — the highest ever for GO; this compares to 58.3 per cent in 1983-84 and 53.8 in 1982-1983.

Non-Fare Revenue

Revenue from sources other than passenger fares increased by 71 per cent, bringing in \$5.84 million to help defray the overall cost of running the GO Transit system. Such revenue in previous fiscal years, in comparison, amounted to \$3.42 million in 1983-84 and \$2.5 million in 1982-83.

The increases reflect the intensified efforts that GO has been making to generate extra revenue to keep public subsidy as low as possible. Examples of these are the renting of bus and rail equipment to other properties, both for long-term leases and during off-peak times such as weekends and holidays; stepped-up promotion of GO's services for special events and attractions; the maximum utilization of commercial space, which increased rental revenue by 30 per cent over the past year; and expanding the revenue-producing potential of advertising on the GO network.

Non-fare or sundry revenue in 1984-85 consisted of: \$2.85 million from the rental of rolling stock and buses; \$546,000 from the leasing of commercial space; \$321,000 in interest income; \$259,000

from the sale of advertising space on the system; and some \$1.8 million from various other sources such as bus parcel express revenue, commissions for selling other carriers' tickets, vending machine and locker revenue, foreign exchange, and operation of contract service for Canada's Wonderland.

GO-ALRT

Construction began this fiscal year on the Pickering-Oshawa section of the GO-ALRT (Advanced Light Rail Transit) system.

Six contracts worth a total of \$25.8 million were awarded for guideway grading and structure work on the section's initial segment between Pickering and Stevenson Road in west Oshawa; this phase is scheduled to enter revenue service in 1989. The remainder of the route through Oshawa itself was the subject of a public hearing under the Environmental Assessment Act in late 1984, and approval from the Ministry of the Environment in early 1985 allowed design for this subsection to proceed.

Planning and design were well advanced

by fiscal year end for track work, stations, and maintenance and storage facilities for the section. Similarly, standards and criteria have been established for the communications, train control, and power supply and distribution systems for the service.

On the Oakville-Hamilton section, a limited amount of construction and relocation of utilities was undertaken in the Burlington and Oakville subsections in preparation for actual ALRT construction. After public meetings, a route from Burlington into downtown Hamilton was selected and endorsed by the municipal councils of the area; an environmental assessment report being prepared for the Hamilton subsection is expected to be ready by mid-1985.

These two sections — 25 kilometres from Pickering to Oshawa and 34 from Oakville to Hamilton — are the first phase in the development of the GO-ALRT network unveiled by the Province in 1982. The plans announced then also called for eventual ALRT service along the entire Lakeshore between Hamilton and Oshawa, and on a northern route through Metropolitan Toronto to connect Oakville and Pickering on the Lakeshore

with the international airport and several city centres in the GO service area.

The project is designed to meet long-range demand for interregional transit in the greater Toronto area by improving GO service in conjunction with those planned by the TTC and other municipal systems.

GO-ALRT trains will be electrically-powered and will run on exclusive rights-of-way. Technology for the system is being developed by the Province's Urban Transportation Development Corporation. The GO-ALRT Program established to design and implement the service is a joint endeavor of the Ontario Ministry of Transportation and Communications and GO Transit, which ultimately will be the service's operator.

Future Service

A number of studies were undertaken to determine the feasibility of expanding service in the GO Transit area.

The long-term demands for service operating through the downtown Toronto rail corridor are being studied jointly by GO, CN, CP, and VIA Rail. Focusing on Union Station, the study will define the physical

plant needs, such as the width of the rail corridor and the number of tracks and platforms, which will be necessary to meet the ever-increasing demands for passenger rail services into the downtown core.

Nearing completion at fiscal year end were studies on the possible expansion of GO Train service on the Milton, Georgetown, and Richmond Hill lines; these studies will determine the feasibility of increasing service levels, and the costs involved, to allow GO to best serve the rapidly-developing communities along these corridors.

The first phase of CN Rail's study on short-term improvements to Lakeshore service concluded that several peak-period trains can be introduced between Pickering and Oakville to augment present service. The study will now determine the feasibility and cost of increasing service levels further to provide interim capacity until GO-ALRT service is extended along the entire Lakeshore.

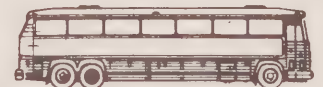
GO-ALRT Program work to define this corridor's alignment is now under way, with emphasis on the Union Station area and the neighboring railway-lands site of

the proposed domed stadium for Toronto. The ALRT right-of-way will generally parallel the existing GO Train route. Study also continued on the designation of an alignment for the northern corridor proposed for the GO-ALRT network.

In progress, too, were studies to examine other areas of the GO operation, including integration and co-ordination with municipal transit, to determine ways and means of improving the delivery of service to the travelling public.



A.F. LEACH
Managing Director
and Secretary



Auditors' Report

To the Members of the Toronto Area
Transit Operating Authority,
the Minister of Transportation
and Communications, and the
Provincial Auditor:

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1985 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1985 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



Toronto, Canada
May 21, 1985

Peat, Marwick, Mitchell & Co.

Peat, Marwick, Mitchell & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act)

BALANCE SHEET AS AT MARCH 31, 1985

(In thousands of dollars)

Assets


Current	1985	1984
Cash	\$ 136	\$ 57
Accounts receivable	3,010	1,529
Deposit with C.N.R.	9,000	9,000
Due from the Province of Ontario	13,271	8,346
Spare parts and supplies	1,275	1,408
Prepaid expenses	295	286
	<u>26,987</u>	<u>20,626</u>
 Fixed		
Land	24,850	24,850
Buildings and equipment (Note 2)	166,198	175,392
Leasehold improvements, net of accumulated amortization of \$250 (1984 - \$181)	1,243	1,138
Improvements to railway right of way and railway plant, net of accumulated amortization of \$24,694 (1984 - \$19,378)	81,915	86,916
Construction in progress		
Toronto Transportation Terminal Project (Note 6)	21,902	18,226
Other	17,256	3,588
	<u>313,364</u>	<u>310,110</u>
	<u><u>\$340,351</u></u>	<u><u>\$330,736</u></u>

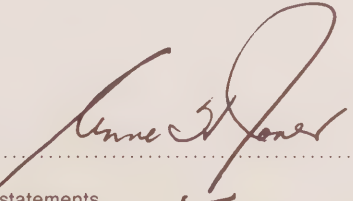
Liabilities

Current	1985	1984
Accounts payable and accrued liabilities	\$ 26,679	\$ 20,122
Unearned revenue in respect of tickets sold and not used	155	568
	<u>26,834</u>	<u>20,690</u>

Equity

Province of Ontario	313,517	310,046
On behalf of the Members	<u>\$340,351</u>	<u>\$330,736</u>


 Chairman


 Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY

FOR THE YEAR ENDED MARCH 31, 1985

(In thousands of dollars)

	<u>1985</u>	<u>1984</u>
Equity at beginning of year as previously reported	\$310,046	\$281,908
Capital contribution from the Province of Ontario	20,370	42,178
B.I.L.D. contributions from the Province of Ontario	165	1,899
Other M.T.C. contributions from the Province of Ontario		33
	<u>330,581</u>	<u>326,018</u>
Amortization of capital contributions	<u>(17,064)</u>	<u>(15,972)</u>
Equity at end of year	<u>\$313,517</u>	<u>\$310,046</u>

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1985

(In thousands of dollars)

	<u>1985</u>	<u>1984</u>
Revenue		
Commuter services	\$ 48,976	\$ 43,843
Sundry revenue (Note 4)	5,841	3,419
	<u>54,817</u>	<u>47,262</u>
Expenses (Note 5)		
Train and bus operations	74,030	67,669
Terminals and plant	29,003	26,375
General and administration	15,524	12,401
	<u>118,557</u>	<u>106,445</u>
Loss from operations	63,740	59,183
Operating subsidy from the Province of Ontario including amortization of capital contributions of \$17,064 (1984 - \$15,972)	63,740	59,183
Net income for the year	<u>\$ —</u>	<u>\$ —</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 1985

(In thousands of dollars)

	1985	1984
Source of funds		
Revenue	\$ 54,817	\$ 47,262
Province of Ontario		
Operating subsidy	46,676	43,211
Capital contributions	20,535	44,110
	<u>122,028</u>	<u>134,583</u>
 (Increase) or decrease in current assets other than cash	(6,282)	4,365
Proceeds on disposal of fixed assets	123	49
	<u>115,869</u>	<u>138,997</u>
 Use of funds		
To operations		
Expenses	118,557	106,445
Less items not requiring an outlay of funds		
Depreciation and amortization	17,064	15,972
(Gain) loss on disposal of fixed assets	94	(17)
	<u>101,399</u>	<u>90,490</u>
Capital expenditures – net	20,535	44,139
(Increase) or decrease in current liabilities	(6,144)	4,370
	<u>115,790</u>	<u>138,999</u>
	79	(2)
Opening cash balance	57	59
	<u>\$ 136</u>	<u>\$ 57</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1985

(In thousands of dollars)

1. Summary of significant accounting policies

a. General

These financial statements are prepared by management on the basis of accounting principles generally accepted in Canada.

b. Spare parts and supplies

Spare parts and supplies are valued at the lower of cost and replacement cost.

c. Fixed assets

Fixed assets are valued at cost.

Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975 was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their estimated useful lives on a straight line basis. Depreciation for locomotives and auxiliary power control units is calculated using a straight line rate applied to cost plus an estimation of future overhaul costs.

Fixed asset categories and their corresponding depreciation and amortization rates are as follows:

Buildings and equipment	
Shelters and ticket booths	5 years
Other buildings	20 years
Locomotives and auxiliary power control units	25 years
Other railway rolling stock	25 years
Buses	12 years
Parking lots	20 years
Sundry – Furniture and fixtures	12 years
– Other	3-5 years
Improvements to railway right of way and railway plant	20 years
Leasehold improvements	20 years

When an asset is sold or otherwise disposed of, the costs and accumulated depreciation pertaining to that asset are removed from the accounts and a gain or loss is recorded in the statement of operations.

d. Commuter services revenue

Revenue is recognized when the transportation service is provided. Unearned amounts are reflected in the balance sheet as current liabilities.

e. Subsidies

Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful lives of the related assets.

2. Buildings and equipment

	1985		1984	
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	\$ 29,470	\$ 8,805	\$ 20,665	\$ 21,273
Locomotive and auxiliary power control units	27,137	11,790	15,347	17,159
Other railway rolling stock	148,118	31,729	116,389	122,578
Buses	18,107	10,945	7,162	8,086
Parking lots	6,362	1,945	4,417	4,037
Sundry	4,491	2,273	2,218	2,259
	<u>\$233,685</u>	<u>\$ 67,487</u>	<u>\$166,198</u>	<u>\$175,392</u>

3. Operating Agreements

Substantially all of the services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. Charges from the parties in respect of the operating agreements are recorded on an incurred and estimated basis. These services are governed by the following agreements.

Party	Period of agreement
Canadian National Railways	June 1, 1977 to May 31, 1987
Gray Coach Lines	To December 31, 1985, presently under negotiation
Charterways Transportation Limited	January 1, 1985 to December 31, 1985
Canadian Pacific Limited	October 26, 1981 to October 25, 1991

4. Sundry revenue

The details of sundry revenue are as follows:

	1985	1984
Other income	\$ 1,134	\$ 1,351
Interest income	321	227
Equipment rentals	4,127	1,557
Advertising revenue	259	284
	<u>\$ 5,841</u>	<u>\$ 3,419</u>

5. Expenses

Further details of expenses are as follows:

	1985	1984
Salaries, wages and fringe benefits	\$ 17,041	\$ 14,622
Payments to outside parties for operation of services	47,739	43,564
Fuel and oil	7,817	7,222
Other expenses	18,206	15,629
	<u>90,803</u>	<u>81,037</u>
Leases, rentals and user charges	10,690	9,436
Depreciation and amortization	17,064	15,972
Total expenses	<u>\$118,557</u>	<u>\$106,445</u>

Of the total expenses above, \$90,803 (1984 – \$81,037) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established by the Authority at 65% of the recoverable expenses. In 1985, total revenue amounted to \$54,817 (1984 – \$47,262) and represents a recovery of 60.4% (1984 – 58.3%) of the recoverable expenses.

6. Commitments

a. Leases

Minimum operating lease payments in each of the next five years and in aggregate are as follows:

1985-1986	\$ 1,320
1986-1987	1,153
1987-1988	1,126
1988-1989	1,111
1989-1990	1,091
Thereafter	<u>7,895</u>
	<u>\$13,696</u>

In addition to the commitments above the Authority has entered an agreement to lease land which expires in 2079. The annual rental under this lease is \$120.

b. Capital

The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railways, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of the Authority's services.

The amount of the capital commitments undertaken by the Authority, net of payments made to March 31, 1985, are outlined below.

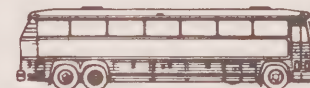
Agreements for the development of the Toronto Transportation Terminal Project	<u>\$27,471</u>
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7. Pensions

The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

8. Comparative figures

Capital spares inventory of \$2,076 (1984 – \$2,231) has been reclassified from spare parts and supplies on the balance sheet to Buildings and Equipment. This reclassification more appropriately reflects the intended use of such capital spares inventory.



Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is a voluntary association (empowered by legislation) of the Regional Municipalities of Peel, York, Halton, Durham, and Hamilton-Wentworth, the Municipality of Metropolitan Toronto, and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth, and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

C.D. FLYNN
Chairman, Council of
The Municipality of Metropolitan Toronto

G.H. HERREMA
Chairman, Council of
The Regional Municipality of Durham

E.R. KING
Chairman, Council of
The Regional Municipality of York

P.D. POMEROY
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable GEORGE R. McCAGUE
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

A.M. ROBINSON
Director, Finance
Treasurer to the Board

J.A. BROWN
Executive Director, Operations

W.M. BURNS
Director, Transportation

H.W. CLELLAND
Director, Development, Engineering and Plant

R.J. DESJARDINS
Director, Administration

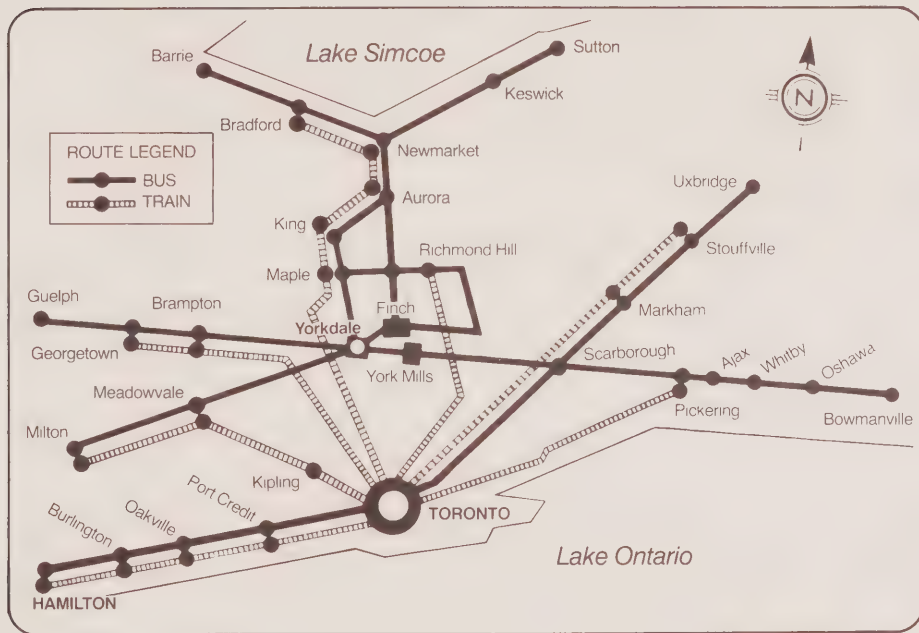
R.H. JOHNS
Director, Equipment

D.A. SUTHERLAND
Executive Director, GO-ALRT Program

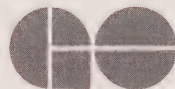
J.M. BURWELL
Director, Finance, GO-ALRT Program

GO Transit

555 Wilson Avenue, Downsview, Ontario, Canada M3H 5Y6 (416) 630-5220



The GO Train and
GO Bus network at
March 31, 1985





Ontario



SEP 17 1986

